Supreme Court, U.S.
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No. _____

IN THE
SUPREME COURT OF THE UNITED STATES

DAVID BATISTE, PAUL BATISTE,
MICHAEL BATISTE,
Petitioners,

v.

ISLAND RECORDS, INC., ISLAND RECORDS,
LTD., MCA MUSIC PUBLISHING,
A Division of MCA, INC., ATTRELL CORDES,
also known as PM Dawn, doing business as PM Dawn,
and GEE STREET RECORDS, INC.,
Respondents.

ON PETITION FOR WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE FIFTH CIRCUIT

PETITION FOR WRIT OF CERTIORARI

JOSEPH W. LOONEY
Counsel of Record

ADAMS AND REESE LLP
4500 ONE SHELL SQUARE
NEW ORLEANS, LOUISIANA 70139
(504) 581-3234

Counsel for Petitioners

BECKER GALLAGHER LEGAL PUBLISHING, INC.,
CINCINNATI, OHIO 800-890-5001

8782

QUESTION PRESENTED

May a creator of a work acquire a new copyright in elements taken from another copyrighted work by incorporating those elements in his own new work, when that new copyright would deprive the preexisting work's legal and beneficial owners of the benefits secured to them under the Copyright Act?

PARTIES TO THE PROCEEDING

Petitioners

David Batiste, Paul Batiste and Michael Batiste. Petitioners are not a corporation.

Respondents

Island Records, Inc., Island Records, Ltd., MCA Music Publishing, A Division of MCA, Inc.; Attrell Cordes, also known as P M Dawn, doing business as P M Dawn; and Gee Street Records, Inc.

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OPINIONS BELOW

The opinion of the United States Court of Appeals for the Fifth Circuit is reported at 179 F.3d 217 (5th Cir. 1999). A copy of the Opinion is included in Appendices at Appendix A, at 1a-24a. The unreported opinion of the District Court for the Eastern District of Louisiana is included in the Appendices at Appendix E, at 31a-46a. The District Court ordered entry of the final judgment on January 13, 1998 which is printed at Appendix B, at 25a-26a.

JURISDICTION

The United States Court of Appeals for the Fifth Circuit issued its opinion on June 21, 1999. On July 9, 1999 the Court of Appeals granted an extension of time to Petitioners to file a Petition for Rehearing and Petition for Rehearing En Banc. App. G at 49a. Petitioners filed a Petition for Rehearing and Petition for Rehearing En Banc on July 12, 1999. The United States Court of Appeals denied both Petitions on July 26, 1999. App. F at 48a. This Petition for Writ of Certiorari is filed within 90 days of the denial of the Petition for Rehearing and Petition for Rehearing En Banc. The Court's jurisdiction is invoked pursuant to 28 U.S.C. §1254(1) and §2106.

STATUTORY PROVISIONS INVOLVED

The Copyright Act, 17 U.S.C. §101

A "derivative work" is a work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture

version, sound recording, art reproduction, abridgement, condensation, or any other form in which a work may be recast, transformed or adapted. A work consisting of editorial revisions, annotations, elaborations, or other modifications which, as a whole, represent an original work of authorship, is a "derivative work."

A "joint work" is a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole.

* * * * *

17 U.S.C. §103

§103 Subject matter of copyright: Compilations and derivative works

(a) The subject matter of copyright as specified by section 102 includes compilations and derivative works, but protection for a work employing preexisting material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully.

(b) The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope,

duration, ownership, or subsistence of, any copyright protection in the preexisting material.

STATEMENT OF THE CASE

Petitioners are New Orleans-based songwriters and performers. In 1968 Petitioners composed and recorded a popular song entitled "Funky Soul" (hereinafter sometimes referred to as "the preexisting work" or "Petitioners' song.")[1] The Respondents are various parties who were involved in the release of a CD entitled "The Bliss Album" that included a song called "So On And So On" (hereinafter sometimes referred to as "the new song.") The new song incorporates elements recorded from the "Funky Soul" recording by means of digital sampling.[2] Attrell Cordes then wrote lyrics over and added some instrumentation to the digital sample and performed as a singer on the recorded version of "So On And So On" that appears on the CD.

At the time Cordes digitally sampled Petitioners' song and recording, he was under contract to Gee Street Records, Inc. Gee Street Records, Inc. assisted in the release of The Bliss Album. The Bliss Album was released through Island Records, Inc. in the United States and Island Records, Ltd. in the United Kingdom. MCA Music Publishing negotiated to

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[1] Respondents contest that Michael and Paul Batiste were co-writers, a matter the court of appeals did not decide. Respondents do not contest David Batiste's authorship.

[2] Digital sampling is the conversion of analog sound to digital information by means of specialized computer equipment.

acquire the copyright ownership of the new song "So On And So On."

After Petitioners found out about the use of their song on The Bliss Album and sought advice about their legal rights, they filed this lawsuit against the parties involved in the album's release. They raised several causes of action, including an action for copyright infringement under 17 U.S.C.A. §501. Respondents raised the defense of license, admitting that elements of the new song were taken from Petitioners' song and recording, but maintaining that they obtained proper licenses for all uses they have made of Petitioners' work.

The licenses in issue were obtained from an individual named Isaac Bolden who, documents indicate and the court of appeals found, was assigned Petitioner David Batiste's copyright in the musical composition in return for fifty percent of all income from exploitation of the composition. In order to release the new song as recorded on The Bliss Album, MCA granted Bolden forty percent ownership of the new song. Documents relied upon by the court of appeals reflect that Bolden issued a mechanical license for the song "So On And So On" to Gee Street. He also issued a master sampling licensing for the recording "So On And So On" to Gee Street. Bolden thereafter assigned his share of ownership of the new song to an MCA division in exchange for a royalty on income generated by the new song.

The District Court had jurisdiction over the original action pursuant to 28 U.S.C. §1338 because the case presented a federal question arising under the Copyright Act. After substantial discovery, Petitioners and Respondents both filed motions for summary judgment. The District Court granted Respondents' motion on the ground that Bolden

owned the copyright and had authorized Respondents to use Petitioners' song and recording. App. A at 1a-24a. The District Court entered judgment on January 13, 1998. App. B at 25a.

Petitioners timely appealed to the Court of Appeals for the Fifth Circuit on June 21, 1999, and the court of appeals affirmed the District Court's judgment on the copyright issues. The court of appeals held that the creation of the new work with Bolden's authorization vested MCA and Bolden with a copyright in all elements of the new work, including those taken from Petitioners' song. Moreover, the court concluded that the mechanical license Bolden had issued to Gee Street to use the new song was sufficient to license Petitioners' song. Finally, the court concluded that Petitioners were foreclosed from recovering infringement damages as beneficial owners under Section 501(b) because the legal owner Bolden had authorized the uses in issue.

ARGUMENT FOR GRANTING THE WRIT

Recognition of a new copyright in elements taken from another work and already subject to copyright violates the Copyright Act and deprives legal and beneficial owners of the preexisting work copyrights of the benefits secured to them under the Act.

The court of appeals erroneously resolved an issue central to ownership of works that incorporate other copyrighted works. The court's decision deprived Petitioners of benefits secured to them by the Copyright Act, and will unless reversed deprive other authors and composers of statutory rights and benefits in the future. The Copyright Act seeks to achieve a balance between rewarding authors by

granting limited monopolies in their works, and encouraging the development of new works that draw upon existing materials. The court of appeals' approach fundamentally alters that balance.

In clear and unmistakable language Congress fashioned an accommodation of the rights in a copyrighted work and the interest in the generation of new works that copy or use elements from earlier works. The Copyright Act sanctions the creation of new works and affords their creators new copyrights in those new works. To support a copyright, a new work creator must supply sufficient original material. The newly supplied material generally belongs to the new work owner and creates no conflict with a preexisting work owner's rights. A conflict arises, however, by the incorporation in a new work of material that already exists in another work and is already subject to a copyright. The use of preexisting copyrighted components in new works raises the issue: Who owns the portion of a new work that is taken or copied from an existing work?

The Copyright Act clearly differentiates between the set of rights inhering in an older preexisting work and the set inhering in a new work derived from the preexisting work. In short, the Act provides that the elements in a new work "borrowed" and used from an older copyrighted work remain the property of the owner of the older work; and the new work's creator will acquire copyright only in those portions of the new work other than the elements borrowed from the older work. Section 103 provides in pertinent part:

> (a) The subject matter of copyright as specified by section 102 includes compilations and derivative works, but protection

> for a work employing preexisting material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully.
>
> (b) The copyright in a compilation or derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material.

17 U.S.C. §103.

The court of appeals' decision drastically changes the law as set forth in Section 103. According to the court of appeals, the owner of the new work has ownership of the *entirety* of the new work inclusive of both newly created elements and copied elements. The court holds that this does not violate the Copyright Act because the new work owner is not extinguishing the copyright in any of the elements of that work by using them in the new work. By this rationale, so long as the preexisting work owner's copyright in that

preexisting work remains intact, the new work owner can have a copyright in elements taken from the preexisting work provided he had authority to use them.[3]

Recognizing that the same elements can support two full sets of rights under the Copyright Act is a radical departure from the language and purpose of the Copyright Act. The court of appeals' approach allows for the "cloning" of an existing copyright. Such a concept lacks any basis in the Copyright Act.

This holding resulted from Petitioners' claim that the Respondents actually were not attempting to create a derivative work at all, but a work that would be co-owned by the owner of the new material and the owner of the contributed preexisting material. The Respondents treated the new work as "jointly owned," rather than as a derivative work.[4] A joint work is considered entirely owned jointly by

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[3] In fairness, this interpretation of Section 103 seems to be shared by at least one influential commentator. Nimmer on Copyrights teaches that the derivative work owner owns the derivative work in its entirety including properly licensed pre-existing elements. Nimmer states, "Consider for example a novel in which *Author A* licenses motion picture rights to *Producer B*, who in turn produces a motion picture based upon said novel. Under the traditional concept of derivative rights, the motion picture would be considered a derivative work entirely owned by B." 1 Nimmer on Copyright sec. 6.06[3] at 6-19 (italics in original).

[4] MCA's copyright registration does not identify the work as a derivative work despite a specific question on derivative works in the standard copyright application form, and key defense witnesses testified that the intent was to render this a joint work.

all the owners each of whom has full enjoyment of the single copyright.

In the past, joint work status could be imposed on a work comprising new material added to components of an existing copyrighted work by a kind of fictional collaboration. In such case, the publisher who contributed the preexisting elements was in a sense deemed a collaborator with the creator of the new additions even though the contributed portion was actually created long before as a separate work. The legal effect of such a joint work was explored in Shapiro, Bernstein & Co., Inc. v. Jerry Vogel Music, Inc., 221 F. 2d 569 (2d Cir. 1955). The court held in Shapiro that the assignee of the ownership of the then-instrumental composition "Twelfth Street Rag" could add lyrics and thereby obtain a new copyright in the entire new work, including the instrumentation.

The so-called "Twelfth Street Rag doctrine" has since been rejected by Congress. By amending the definition of "joint work" in 1976, Congress foreclosed the possibility that a prior work owner can create a new copyright interest in a work, or elements thereof, that already enjoy a copyright. See M. Nimmer and D. Nimmer, 1 Nimmer on Copyright, section 6.06[B] at 6-20, 6-21.

The court of appeals below acknowledged that the Twelfth Street Rag doctrine is no longer viable, but concluded that a Twelfth Street Rag problem is not implicated in this situation. The court read the legislative response to the Twelfth Street Rag case as having been limited to works that by incorporating existing copyrighted components thereby terminate the copyright in the earlier work. See App. A at 14a. Because the preexisting work owner still retained the full copyright in the musical composition authored by the

Petitioners here, the court of appeals held, the Twelfth Street Rag doctrine's deleterious impact on copyright was not at issue. According to the court, the new song is not a Twelfth Street Rag joint work; it is a "jointly owned derivative work."[5]

Having thus dubiously disposed of the "joint work" issue by declaring the new song a "jointly owned derivative work," the court of appeals proceeded to misapply the Copyright Act's concepts of derivative works. Having concluded that Congress' solution to the Twelfth Street Rag problem did not prevent creating a new estate in old elements contributed to a new work, the court of appeals found that a new copyright estate in elements already subject to an existing copyright can be created by the simple expedient of incorporating the old elements in a new work. Thus, the Twelfth Street Rag result is reached directly and simply, and without the cumbersome necessity of giving the preexisting work owner a share in the new copyright estate.

The court's resolution of derivative works ownership dramatically deviates from this court's careful analysis and holding in Stewart v. Abend, 409 U.S. 207, 110 S. Ct. 1750 (1990). Stewart v. Abend clarified the law relating to derivative works. The Stewart case disposed of the

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[5] The court read the Twelfth Street Rag problem too narrowly. It was not the divestiture of rights in the earlier work that precipitated the amendment. Rather it was the artificiality of collaboration. Congress amended the definition of "joint work" to provide that the collaborators must have had the intent to make a joint work at the time of the inception of the work. See 17 U.S.C. §101, App. G at 49a, 51a. No longer would courts be permitted to supply the intent to make a joint work by finding an intent to contribute pre-existing material.

misunderstanding that "the rights of the owner of the copyright in the derivative use of the preexisting work are extinguished once it is incorporated into the derivative work."[6] The Supreme Court expressly ruled that the right of the preexisting work owner to license derivative works survives the preexisting work's incorporation into a new derivative work. The creation of a derivative work gives rise to a separate work with separate copyrights. The original work and its copyrights continue to exist independently. Thus, the court held, "the full force of the copyright in the preexisting work is preserved despite incorporation into the derivative work." Id. at 227. And most importantly, the court held, "The aspects of a derivative work added by the derivative author are that author's property, **but the elements drawn from the preexisting work remain on grant from the owner of the preexisting work.**" Id. at 222.

Stewart v. Abend controls the issue of infringement in this case.[7] In Stewart, this court expressly rejected the very proposition espoused by the court of appeals below that a new independent estate in previously copyrighted material arises when those elements are re-utilized in a new, derivative work.

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[6] See Rohauer v. Killiam Shows, Inc., 551 F.2d 484 (2d Cir. 1977), cert. denied, 431 U.S. 949, 97 S.Ct. 2666 (1977).

[7] The court of appeals properly rejected Respondents' argument that the mere fact that the legal owner authorized the CD release disposes of the petitioner's suit as beneficial owner. The court proceeded to analyze the nature of the legal owner's particular grants, as required by Mills Music, Inc. v. Snyder, 469 U.S. 153, 105 S.Ct. 638 (1985). See also Harris v. Emus Music Corp., 734 F.2d 1329 (9th Cir. 1984).

The court of appeals below recognized that MCA's new song was a derivative work that used elements from the preexisting musical composition. The court also recognized that the contracts relating to the derivative composition purported to vest full ownership of the entirety of the new work in its publishers. Yet remarkably the court decided that under the Copyright Act the publishers of the new work own the copyright in the entire new composition. This, without even mentioning the Stewart case.

Copyright cloning of this type poses a serious threat to the correct interpretation of copyright law. As was evident in Stewart v. Abend, movie producers and studios, publishers of rap and other derivative forms of musical products, and record companies whose every product is a derivative work--all have significant stakes in the determination of rights in derivative works. Had MCA prevailed in the Stewart case, it would own every right to exploit every film incorporating elements taken from a preexisting screenplay or other literary work, without the necessity of licensing the preexisting work. As the result of Stewart, however, while it may exploit the particular movie version, MCA is limited to the scope of the film rights grant and may not create or license other derivative works based on the movie.

The Stewart case is equally important in non-entertainment technology fields. In the freewheeling world of computer system design, for example, programs written to incorporate elements found in other systems can only be owned to the extent of any newly added material. Those elements copied, literally or "non-literally," from other programs constitute gaps in ownership, and prevent the use or sale of the system unless valid licenses from the owners of those elements' copyrights accompany the new programs' use or sale.

None of the limits imposed by Stewart survive this case, however. The court of appeals has fundamentally limited the Stewart holding such that a new work owner can own the entire new work; he simply cannot diminish the prior work owner's copyright in the prior work. Thus, if the fact situation in Stewart came before the court of appeals today it would yield a different outcome. MCA would fully own the movie "Rear Window," free of any requirement to license the film rights to the underlying short story "It Had To Be Murder." Since the creation of the movie did not divest the owner of the short story of its own copyright in the short story, MCA too could own the story as an element of the movie. Thus, there would be no need for a continuing license to use the underlying work as Stewart requires. MCA would own a full copyright in the story elements. There would be two different copyrights in the same work.

The court of appeals' cloned copyright unleashes the forces of copyright chaos. In the Rear Window example, as full copyright owner of the short story rights MCA could create another short story that would duplicate the elements of the very story from which the movie elements were derived. On the other hand, the owner of the original short story copyright could grant exclusive film rights to a competitor of MCA to produce another newer movie containing the same elements as "Rear Window;" that license would only need to carefully steer clear of newly added elements created by Alfred Hitchcock, Jimmy Stewart, and the Rear Window screenwriters. And most chaotic of all, MCA would not be entitled to any benefit from the newer movie although, as full owner of the cloned copyright in the story elements, MCA would possess unimpeded rights to fully exploit its own film.

The approach dictated by Stewart maintains the balance intended by Congress without doing damage to sound copyright concepts. Producers may acquire film rights through a valid license or assignment. And even should the owner give notice of a reversion under section 304(c)(6), any pre-termination derivative movie could still be exploited without further license from the copyright owner of the reverted film rights, although no further derivative work could be made from the movie without an additional license.

The elements thus remain "on loan" from the preexisting work. Petitioners in this case, and authors and composers who transferred their copyright in exchange for the promise of continuing royalty income, are beneficial owners of that sustaining copyright entitled to their share of royalties from the use of their creation in another work. Their royalty and license revenues should include a share of the income from the derivative work composition.

The decision in this case also injects significant confusion in the area of mechanical licensing of songs. Granting and negotiation of mechanical licenses is dependent on narrowly specifying the particular song and the particular use to be made of the recording of the song. Fred Ahlert Music Corp. v. Warner/Chappell Music, Inc., 155 F.3d 17 (2d Cir. 1998) (holding that a narrowly drawn mechanical license sets clear boundaries on the scope of use). See also Mills Music, Inc. v. Snyder, 469 U.S. 153, 105 S. Ct. 638 (1985). Mechanical licenses are typically drawn to cover only a single song. The court's decision in this case would permit a licensee to claim not only that he has licensed the song identified by name (and usually unique catalog number) appearing in the license, but also all other songs from which elements were taken and incorporated in the named song. Although such a result would certainly be welcomed by

record companies as a means of significantly reducing their royalty obligations, music rights owners and particularly composers with royalty rights would be severely deprived of their legal rights.

CONCLUSION

It is respectfully requested that this Honorable Court grant certiorari in light of the momentous impact this decision will have on the Copyright Act and decisions of this court that have interpreted it. The Copyright Act's mechanism for handling derivative works hangs in the balance. The court must address the infirmities of the decision of the court of appeals below to assure that the purposes and benefits of the Copyright Act are promoted and preserved.

Respectfully submitted,

ADAMS AND REESE LLP

/s/_____

Joseph W. Looney
4500 One Shell Square
New Orleans, Louisiana 70139
Tel: (504) 581-3234
Fax: (504) 566-0210

Counsel for Petitioners

APPENDIX A

IN THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

[Filed June 21, 1999]

No.98-30046

DAVID BATISTE; PAUL BATISTE; MICHAEL BATISTE,
Plaintiffs-Appellants-Cross-Appellees,
v.

ISLAND RECORDS INC; ISLAND RECORDS LTD; MCA MUSIC PUBLISHING, A Division of MCA, Inc; ATTRELL CORDES, also known as P M Dawn, doing business as P M Dawn; WADE FEATHERSTONE, Individually; GEE STREET RECORDS INC,
Defendants-Appellees-Cross-Appellants
and

ISAAC BOLDEN,
Defendant-Appellee.

Appeals from the United States District Court
for the Eastern District of Louisiana

Before KING, Chief Judge, REAVLEY and BENAVIDES, Circuit Judges.

KING, Chief Judge:

Attrell Cordes, a successful singer and songwriter who performs with his brother under the name "P.M. Dawn," used a digital sample of a musical composition that was originally written and recorded by David, Paul, and Michael Batiste. Cordes included the digital sample in a song on a highly successful album that was released by Island Records, Inc. and Gee Street Records, Inc., and the Batistes seek damages and injunctive relief for alleged copyright infringement and violations of the Lanham Act, 15 U.S.C. § 1125, the Louisiana Unfair Trade Practices Law, LA. REV. STAT. ANN. §§ 51:1401-1419, and Louisiana state laws regarding conversion and misappropriation. The district court dismissed the Batistes' claims against Wade Featherstone for lack of personal jurisdiction and granted all defendants except Isaac Bolden summary judgment on all claims, except Paul and Michael Batiste's allegations of conversion and misappropriation, which the court allowed Paul and Michael Batiste to voluntarily dismiss without prejudice. We affirm the judgment of the district court in all respects except that we determine the district court abused its discretion by allowing Paul and Michael Batiste to dismiss their surviving claims without prejudice, and we remand with instructions to enter judgment in favor of all defendants except Bolden on these claims as well.

I. FACTUAL BACKGROUND

David, Paul and Michael Batiste (collectively, the Batistes) are three brothers who, while performing together as a group known as "David Batiste & the Gladiators," wrote a musical composition called "Funky Soul" in 1968. The Batistes performed "Funky Soul" in New Orleans and recorded the song in 1970 with the assistance of Isaac Bolden, a local music publisher and record producer.

David Batiste, the eldest brother and leader and manager of the group, entered into two written contracts with Bolden: (1) a Songwriter's Contract governing rights to the "Funky Soul" musical composition, and (2) an Artist Contract governing rights to the "Funky Soul" physical master tape and sound recording. Under the Songwriter's Contract, David Batiste warranted that the "Funky Soul" musical composition was his "sole, exclusive and original work" and transferred that composition, including the title, words, music, and the exclusive right to secure copyright, to Bolden. Under the Artist Contract, David Batiste transferred to Bolden all rights to the physical master tape and the sound recording of "Funky Soul" embodied thereon, including the "exclusive, unlimited and perpetual right . . . to manufacture, advertise, sell, lease, license or otherwise use or dispose of, in any or all fields of use, by any method now or hereafter known, throughout the world, records embodying the performances."

Shortly after the recording session for "Funky Soul," Bolden obtained a certificate of copyright registration for the musical composition identifying David Batiste as its sole writer. Bolden authorized the manufacture and release of two

records containing "Funky Soul" in 1970, but neither record was a commercial success.

Attrell Cordes and his brother perform together in the highly successful musical group "P.M. Dawn." In 1992, Cordes purchased a copy of the "Funky Soul" record and decided to sample it for use in a song of his own entitled "So On and So On" ("So On"). Cordes recorded a six and one-half second portion of "Funky Soul" from the record he purchased and used digital technology to modify the recording. Cordes used this digital sample in his song "So On" that was included on "the Bliss Album," which Island Records, Inc.[1] and its affiliate, Gee Street Records, Inc. (Gee Street), released on March 15, 1993.

Prior to "the Bliss Album" release, Gee Street determined that Bolden held all rights to the "Funky Soul" musical composition and sound recording and entered into three contracts with him: (1) a Master Recording Sampling License, on January 26, 1993; (2) a Mechanical License Agreement, on March 3, 1993; and (3) an Administration Agreement, on April 27, 1993. Under the Master Recording Sampling License, Bolden granted Gee Street "the non-exclusive right to manufacture [r]ecords embodying that certain Master Recording, entitled 'So On & So On' . . . [which] contains an interpolation of [Bolden's] master recording, entitled 'Funky Soul.'" Under the Mechanical

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[1] At the time of the events leading to this lawsuit, Island Records, Inc. and Island Records, Ltd. were both subsidiaries of Polygram N.V. For the purposes of this opinion, we will refer to Island Records, Inc., Island Records, Ltd., or both, as Island Records.

License Agreement, Bolden consented to Gee Street's release of "So On," which "interpolates a portion of the musical composition entitled 'Funky Soul.'" Finally, under the Administration Agreement, Bolden and MCA Music Publishing (MCA) agreed that Bolden owns a forty percent share of "So On," and that Bolden "grants licenses and assigns to [MCA] exclusively the copyright and all other rights . . . in and to ["So On"]." In exchange for his allowing the use of the "Funky Soul" sample, Gee Street paid Bolden a $15,000 advance against record royalties in February 1993.

The liner notes accompanying "the Bliss Album" credit "D. Batiste" as a co-writer of "So On" and state that "'Funky Soul' performed by David Batiste & The Gladiators [is] used under license by Isaac Bolden." The Batistes admit that they learned that a portion of "Funky Soul" was used in "So On" no later than July 1993, and that they prepared and submitted an application to register as co-writers of "So On" with Broadcast Music, Inc., a well-known performing rights society.

II. PROCEDURAL HISTORY

The Batistes filed this suit in the United States District Court for the Eastern District of Louisiana on March 10, 1995, alleging that Island Records, Gee Street, MCA, Cordes, Bolden, and Wade Featherstone violated federal copyright laws, 17 U.S.C. §§ 101-603; the Lanham Act, 15 U.S.C. § 1125; the Louisiana Unfair Trade Practices Law, LA. REV. STAT. ANN. §§ 51:1401-1419 (LUTPL), and Louisiana state laws regarding conversion and misappropriation. In addition, the Batistes allege in their complaint that Bolden breached his

fiduciary duty and contractual obligation by failing to account for income that he has received from the sale or distribution of records containing "Funky Soul" and by participating in the misappropriation of the Batistes' property and infringement of their copyrights. The Batistes seek injunctive and declaratory relief, an accounting of all amounts received from transactions relating to "the Bliss Album" and "Funky Soul," and damages.

Wade Featherstone filed a motion on October 15, 1996 to dismiss the Batistes' claims for lack of personal jurisdiction and failure to state a claim upon which relief may be granted. Featherstone asserted that he is a citizen and resident of England and lacked sufficient jurisdictional contacts with the state of Louisiana. Island Records, MCA, Gee Street, and Cordes (collectively, defendants) filed a motion on December 6, 1996 to dismiss the Batistes' claims of copyright infringement for lack of subject matter jurisdiction, arguing that the Batistes could not demonstrate that they had obtained or applied to obtain a valid copyright registration for "Funky Soul."[2] Defendants also filed a motion for summary judgment

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[2] Although the district court's order on September 8, 1997 states that defendants' motion to dismiss for lack of subject matter jurisdiction is "granted," the accompanying opinion offers no support for this conclusion. In fact, the opinion states that the Batistes have standing to bring a copyright infringement claim as beneficial owners of Bolden's copyright, and the district court ultimately granted defendants summary judgment on the copyright claims. Defendants note this inconsistency and argue on appeal that if the district court did deny their motion to dismiss for lack of subject matter jurisdiction, it did so in error.

We find no merit in defendants' argument. Initially, we

on all claims, and the Batistes filed a motion seeking summary judgment in their favor on their copyright, Lanham Act, and misappropriation claims against defendants and Bolden.

The district court granted defendants summary judgment on all of David Batiste's claims, and on all of Paul and Michael Batiste's claims except conversion and misappropriation.[3] The court found that the Songwriter's

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note that the district court subsequently amended its September 8 order to explicitly state that it had granted summary judgment on all David Batiste's claims, and on all of Paul and Michael Batiste's claims except their state-law claims for conversion and misappropriation, and that the court entered partial judgment on the copyright claims under Federal Rule of Civil Procedure 54(b). These actions demonstrate that the district court did deny defendants' motion to dismiss, and we agree with its determination that the Batistes may properly assert their copyright infringement claims as beneficial owners of Bolden's registered copyright. See 17 U.S.C. § 501(b) ("The legal or beneficial owner of an exclusive right under a copyright is entitled . . . to institute an action for any infringement of that particular right committed while he or she is the owner of it."); Cortner v. Israel, 732 F.2d 267, 271 (2d Cir. 1984) ("When a composer assigns copyright title to a publisher in exchange for the payment of royalties, an equitable trust relationship is established between the two parties which gives the composer standing to sue for infringement of that copyright.").

[3] The district court appears to have included Bolden in its disposition of the motions for summary judgment and dismissal. We have carefully reviewed the record, however, and we find no indication that Bolden either joined defendants' motion for summary judgment or made such a motion on his own behalf. We therefore necessarily construe the district court's order as granting

Contract effectively transferred any interest David Batiste had in "Funky Soul" to Bolden, that Bolden had authorized defendants to use the composition, and that therefore the Batistes had failed to raise a genuine issue of material fact on their copyright infringement claims. The district court also determined that the Batistes failed to raise an issue of material fact that defendants had violated the Lanham Act because "Funky Soul" was attributed to "David Batiste & The Gladiators" in the liner notes accompanying the album, and that defendants' actions were not unfair or deceptive under the LUTPL because David Batiste transferred any interest he had in the "Funky Soul" composition to Bolden in exchange for royalties and the Batistes failed to produce any evidence indicating that defendants knew or should have known of any interest in "Funky Soul" held by Paul and Michael Batiste. Finally, the district court granted summary judgment on David Batiste's conversion and misappropriation claims because he had transferred any ownership rights he held to Bolden in 1970, but the court refused to grant summary judgment on similar claims raised by Paul and Michael Batiste because they "need only establish that the defendants are in possession of property which belongs to them." In subsequent orders, the district court dismissed the Batistes' claims against Featherstone as lacking personal jurisdiction and dismissed their remaining state-law claims under 28 U.S.C. § 1367(c).[4] The Batistes timely appeal.

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summary judgment only on those claims made against the moving defendants, leaving the Bastistes' claims against Bolden unaffected.

[4] Under 28 U.S.C. § 1367(c), a district court "may decline to exercise supplemental jurisdiction over a claim . . . if -- (1) the claim raises a novel or complex issue of State law,

III. DISCUSSION

The Batistes argue on appeal that the district court erroneously granted defendants summary judgment on their copyright infringement, Lanham Act, LUTPL, and conversion and misappropriation claims, and that Featherstone had sufficient minimum contacts with the state of Louisiana for the court to exercise personal jurisdiction.[5] Defendants cross-appeal, arguing that the district court abused its discretion by dismissing without prejudice the Batistes' surviving state-law claims.[6] We address these arguments in turn.

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(2) the claim substantially predominates over the claim or claims over which the district court has original jurisdiction,

(3) the district court has dismissed all claims over which it has original jurisdiction, or

(4) in exceptional circumstances, there are other compelling reasons for declining jurisdiction."

[5] The Batistes failed to provide any argument in either their briefs or at oral argument supporting their appeal of the district court's order dismissing Featherstone for lack of personal jurisdiction, and we consider this claim abandoned. See Cinel v. Connick, 15 F.3d 1338, 1345 (5th Cir. 1994).

[6] Bolden does not appeal, and we do not consider, the district court's dismissal without prejudice of the Batistes' claims against him under 28 U.S.C. § 1367(c).

A. Copyright Infringement

The Batistes argue that the district court erred in granting summary judgment on their copyright infringement claims because defendants' use of "Funky Soul" infringed the "Funky Soul" copyright and was not authorized by the 1970 Songwriter's and Artist Contracts or the three contracts that Bolden entered into in 1993. The Batistes contend that the Songwriter's and Artist Contracts between David Batiste and Bolden are invalid because David Batiste does not remember signing them and the contracts are "suspect enough to raise a factual issue." Furthermore, the Batistes argue that these contracts did not anticipate or authorize the digital sampling method at issue, and that the contracts cannot apply to Paul and Michael Batiste because they were minors at the time and did not authorize David Batiste to negotiate on their behalf.

The Batistes allege that even if the 1970 contracts did allow Bolden to license the use of a digital sample of "Funky Soul" to defendants, the contracts that Bolden executed in 1993 do not authorize defendants' use. Specifically, the Batistes claim that either (1) "So On" is a "derivative work," and the 1993 contracts serve only to authorize and share profits from the new material Cordes added to the song, not the pre-existing work; or (2) the contracts between Bolden and Gee Street/MCA purport to render "So On" a "joint work," a characterization that would effectively merge Cordes's contribution with Bolden's rights in "Funky Soul," and that such a characterization under the "Twelfth Street Rag"

doctrine[7] makes the contracts invalid because they attempt to achieve a result prohibited by copyright law.[8]

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[7] The "Twelfth Street Rag" doctrine derives from the Second Circuit's decision in Shapiro, Bernstein & Co. v. Jerry Vogel Music Co., 221 F.2d 569, modified on reh'g, 223 F.2d 252 (2d Cir. 1955), allowing the assignee of an ownership interest in a musical composition to add new elements to a pre-existing work and thereby create new ownership interests in the resulting "joint work," extinguishing any other ownership interests in the pre-existing work. Congress overruled this doctrine in 1976 by adopting the current definition for "joint work," which requires that each author intend the merger at the time the author prepares his or her contribution. See 17 U.S.C. § 101 (defining "joint work" as a "work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole").

[8] The Batistes make two other arguments respecting the validity of the 1993 contracts of which we easily dispose. The Batistes claim that (1) the alleged infringements occurred before any licenses were issued by Bolden, and defendants cannot demonstrate that the agreements preceded the release of "the Bliss Album," and (2) defendants attempted to assign the benefits of the contracts to each other without obtaining Bolden's prior written consent. We note initially that the summary judgment evidence shows that the Master Recording Sampling License and Mechanical License Agreement had already been executed at the time of release and that the remaining, unexecuted contract does not purport to authorize the use of "Funky Soul." In addition, to the extent that any writing requirement in the contracts applies to assignments among defendants, the summary judgment evidence demonstrates that Bolden waived such a requirement and implicitly consented to defendants' use. See Lulirama Ltd. v. Axcess Broadcast Servs., Inc., 128 F.3d 872, 879 (5th Cir. 1997) (stating that, under federal

"We review a grant of summary judgment de novo, applying the same criteria used by the district court in the first instance." Texas Manufactured Housing Ass'n v. City of Nederland, 101 F.3d 1095, 1099 (5th Cir. 1996); see Tolson v. Avondale Indus., Inc., 141 F.3d 604, 608 (5th Cir. 1998). Summary judgment is proper "if the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any, show that there is no genuine issue as to any material fact and that the moving party is entitled to a judgment as a matter of law." FED. R. CIV. P. 56(c); see Celotex Corp. v. Catrett, 477 U.S. 317, 327 (1986). The party moving for summary judgment bears the initial burden of showing an absence of evidence to support the nonmoving party's case, see id. at 322-27, but, once this burden has been met, the nonmoving party can resist the motion by making a positive showing that a genuine issue of material fact exists, see Anderson v. Liberty Lobby, Inc., 477 U.S. 242, 250 (1986). The nonmovant must go beyond the pleadings and designate specific facts showing that there is a genuine issue of material fact for trial. See Celotex, 477 U.S. at 324-25. Finally, we note that a grant of summary judgment may be affirmed on any ground that was raised to the district court and upon which both parties had the opportunity to present evidence. See Conkling v. Turner, 18 F.3d 1285, 1296 n.9 (5th Cir. 1994).

The only question that we face regarding the Batistes' copyright claims is whether the Batistes have successfully demonstrated a genuine issue of material fact that the multiple

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copyright law, a nonexclusive license may be granted orally or implied from conduct).

contracts among the parties are insufficient to authorize defendants' use of a digital sample of "Funky Soul" in their song "So On." After carefully examining the contracts between David Batiste and Bolden and the contracts between Bolden and Gee Street/MCA, we agree with the district court's conclusion that there is no such issue of material fact and that defendants are entitled to summary judgment on these claims.

The Batistes point to no evidence supporting their allegation that the 1970 contracts are invalid or otherwise "suspect," and David Batiste's inability to remember signing them is not sufficient to raise a material issue as to the validity of the agreements. See Lone Star Indus., Inc. v. Nelstad Material Corp., 811 F. Supp. 147, 149 (S.D.N.Y. 1993). David Batiste granted Bolden the entire musical composition, including the exclusive right to secure copyright, "all rights of whatsoever nature" relating to the copyright, and the right to license, "in any or all fields of use, by any method now or hereafter known, throughout the world, records embodying the performances." Such a grant is sufficiently broad to include the licensing of a record containing a digital sample of "Funky Soul." Cf. Boosey & Hawkes Music Publishers, Ltd. v. Walt Disney Co., 145 F.3d 481, 485-88 (2d Cir. 1998) (concluding that 1939 agreement conveying the right "to record [a composition] in any manner, medium or form" for use "in Ia] motion picture" is sufficiently broad to include distribution of the motion picture in laser disc format); Maljack Prods., Inc. v. GoodTimes Home Video Corp., 81 F.3d 881, 885 (9th Cir. 1996) (stating that right to synchronize music in any future technologies, including videocassettes, is included in clause granting party all the music rights of a motion picture). Finally, we note that the validity of Paul and

Michael Batiste's allegations that David Batiste did not have authority to enter the 1970 contracts on their behalf is immaterial to their claims of copyright infringement against any party's use that was authorized by their brother. See Quintanilla v. Texas Television Inc., 139 F.3d 494, 498 (5th Cir. 1998) ("A co-owner of a copyright cannot be liable to another co-owner for infringement of the copyright.'") (quoting Oddo v. Ries., 743 F.2d 630, 632-33 (9th Cir. 1984)); Cortner v. Israel, 732 F.2d 267, 271 (2d Cir. 1984) ("It is elementary that the lawful owner of a copyright is incapable of infringing a copyright interest that is owned by him; nor can a joint owner of a copyright sue his co-owner for infringement."); MELVIN B. NIMMER & DAVID NIMMER, 1 NIMMER ON COPYRIGHT § 6.10 (1999) [hereinafter NIMMER] ("[A]n authorization to the defendant from one joint owner will be an effective defense to an infringement action brought by another joint owner.").

We also find no merit in the Batistes' arguments that the 1993 contracts between Bolden and Gee Street/MCA are invalid because they purport to create a "joint work." The contracts recognize that Bolden, as the owner of the "Funky Soul" copyright, retains his copyright therein. See Gilliam v. American Broadcasting Cos., 538 F.2d 14, 22 (2d Cir. 1976) (stating that provision in license retaining rights in preexisting script "suggest[s] that the parties did not consider themselves joint authors of a single work". Although the Administration Agreement does provide that Bolden and MCA jointly own "Funky Soul" as an authorized, derivative work, joint ownership of a derivative work does not alone create a "joint work." The policies underlying the "Twelfth Street Rag" doctrine thus do not apply, and we see no conflict between the 1993 contracts and Congress's abrogation of that doctrine.

Furthermore, it is clear from the face of the 1993 contracts that they form a license to use "Funky Soul" and do not merely authorize and share profits from Cordes's additional material. We therefore conclude that the district court was correct in its determination that no genuine issue of material fact exists regarding defendants' authorized use of "Funky Soul" and properly entered summary judgment on the copyright infringement claims in their favor.

B. Lanham Act

The Batistes argue that the district court erroneously granted summary judgment on their claims that defendants "mutilate[d]" "Funky Soul" and that this "abuse" of their work amounts to "reverse passing off" in violation of § 43(a) of the Lanham Act, 15 U.S.C. § 1125(a).[9] Relying on the

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[9] Under § 43(a),

> Any person who, on or in connection with any goods or services . . . uses in commerce any word, term, name, symbol, or device, or any combination thereof, or any false designation of origin, false or misleading description of fact, which . . . is likely to cause confusion, or to cause mistake, or to deceive as to the affiliation, connection, or association of such person with another person, or as to the origin, sponsorship, or approval of his or her goods, services, or commercial activities by another person shall be liable in a civil action by any person who believes that he or she is or is likely to be damaged by such act.

Second Circuit's decision in Gilliam, the Batistes claim that an author has a "legal and moral right to have his work attributed to him in the form in which he wrote it," and that defendants' licenses "would not have permitted defendants to mutilate plaintiffs' works." Finally, the Batistes argue that defendants failed to properly credit their contribution to "So On" because Michael and Paul Batiste's "authorship contributions" were not mentioned and that the "Funky Soul Track" constitutes the entire instrumental track in "So On."

In Gilliam, the Second Circuit considered a claim by a group of authors and performers known as "Monty Python" seeking a preliminary injunction to prevent the American Broadcasting Company (ABC) from broadcasting edited versions of three of their programs. See 538 F.2d at 17. The Second Circuit enjoined the broadcasts, concluding that the group had shown a likelihood of succeeding on the merits of their claims that the editing exceeded the scope of ABC's license. See id. at 22-23. The court further determined that the group would likely succeed on its claim under the Lanham Act that, "regardless of the right ABC had to broadcast an edited program, the cuts made constituted an actionable mutilation of Monty Python's work," and that such a cause of action "finds its roots in the continental concept of droit moral, or moral right, which may generally be summarized as including the right of the artist to have his work attributed to him in the form in which he created it." Id. at 23-24; see 3 NIMMER at § 8D.04[A] [2].

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15 U.S.C. § 1125(a).

Even if we were to adopt the reasoning of the Second Circuit and determine that the "manipulation" that "Funky Soul" suffered is sufficient to state a cause of action under the Lanham Act, we still must conclude that summary judgment in favor of defendants was proper because the Batistes have failed to demonstrate the existence of a genuine issue of likelihood of confusion. See 15 U.S.C. § 1125(a) (1) (A) (prohibiting misleading representations of fact which are likely to cause confusion, mistake, or deception); 3 NIMMER at § 8D.04[A][2] (stating that, for a plaintiff to prevail on such a manipulation claim, "it must invoke the appropriate elements for relief under the Lanham Act, rather than simply serving as a back-door method for reviving failed copyright claims") (footnote omitted). The Batistes point to no evidence in the record demonstrating that consumers were confused or deceived by either the use of a digital sample of "Funky Soul" in "So On" or the attribution to "David Batiste & The Gladiators" as a co-author of "So On." The Batistes' claim that Paul and Michael Batiste were improperly excluded from the liner notes accompanying the album also fails to suggest that consumers were confused, especially because the liner notes do credit the name of the band in which both Paul and Michael Batiste performed. Finding no evidence of a genuine issue of consumer confusion, we affirm the district court's grant of summary judgment in favor of defendants on the Batistes' Lanham Act claims.

C. State-Law Claims

The Batistes argue that the district court erred in granting defendants summary judgment on their claims of unfair trade practices under the LUTPL, conversion, and misappropriation. The Batistes again contend that the district

court improperly determined that the Songwriter's and Artist Contracts that David Batiste entered into in 1970 are valid and authorize defendants' use of "Funky Soul."

The Batistes' claims of unfair trade practices, conversion and misappropriation are delictual under Louisiana law and are therefore subject to a one-year prescriptive period. See LA. REV. STAT. ANN. § 51:1409(E) (stating that a private action under the LUTPL "shall be prescribed by one year running from the time of the transaction or act which gave rise to this right of action"); LA. CIV. CODE ANN. § 3492 ("Delictual actions are subject to a liberative prescription of one year."); Johnson v. Concordia Bank & Trust Co., 671 So. 2d 1093, 1098 (La. Ct. App. 1996) ("Since conversion is a tort, the prescriptive period for delictual actions applies to plaintiff's action."); Adams v. First Nat'l Bank of Commerce, 644 So. 2d 219, 222-23 (La. Ct. App. 1994) (determining that prescriptive period of one year applies to cause of action for unfair trade practices); National Union Fire Ins. Co. v. Spillars, 552 So. 2d 627, 630 (La. Ct. App. 1990) (finding a suit based on misappropriation or wrongful taking "is therefore a delictual action and subject to liberative prescription of one year"). As a general rule, the prescriptive period begins to run when the plaintiff has actual or constructive knowledge of the alleged tortious act. See Mistich v. Cordis Mfg. Co., 607 So. 2d 955, 956 (La. Ct. App. 1992).

"IT]he Bliss Album" containing the digital sample of "Funky Soul" was released in March 1993, and the Batistes admit that by July 1993 they knew that defendants had used "Funky Soul" without their permission. Nonetheless, the Batistes did not file this suit until March 1995. In their reply

brief, the Batistes argue that this court held in Songbyrd, Inc. v. Bearsville Records, Inc., 104 F.3d 773 (5th Cir. 1997), that an action to recover for misappropriation of masters and sound recordings is not subject to liberative prescription, and that "this case involves a direct dispute over ownership of the master rights." The Batistes further contend that their remaining state law claims are saved from prescription by the doctrine of equitable tolling -- specifically, they claim that defendants" "absolute refusal to provide information" after the Batistes contacted Bolden and defendants in mid-1993 acted to toll the prescriptive period and makes their present claims timely.

The Batistes' arguments misconstrue both our decision in Songbyrd and the equitable tolling doctrine, and neither of these contentions saves their state-law claims from the applicable one-year prescriptive period. Initially, we note that our determination that the plaintiff's cause of action in Songbyrd was not subject to the one-year prescriptive period relied on our conclusion that the plaintiff's claim, which sought recognition of its ownership interest in physical master recordings and the return of those recordings, was a "revindicatory action" seeking the return of property rather than a "personal action." See Songbyrd, 104 F.3d at 777. The Batistes, however, do not assert, and there is no evidence suggesting, that defendants ever possessed the physical master recording or any other physical property belonging to the Batistes. Rather, the Batistes argue that the "Funky Soul" sound recording was misappropriated because defendants used it in "So On," and they seek damages for this use. The Batistes' claims are therefore properly considered "personal actions" and are subject to the one-year prescriptive period. See id. at 777-79. Finally, we decline the Batistes' invitation

to invoke the equitable tolling doctrine because the Batistes admit that they knew the facts underlying their cause of action and sought legal advice on how to pursue their claims more than one year prior to filing suit against defendants. Cf. Kavanaugh v. Long, 698 So. 2d 730, 738 (La. Ct. App. 1997) (stating that equitable tolling suspends prescriptive period for medical malpractice claim, "but only until the patient knew or should have known of the malpractice or concealment from other sources"). We therefore affirm the district court's grant of summary judgment in favor of defendants on the Batistes' claims of unfair trade practices, and on David Batiste's claims of misappropriation and conversion.

D. Pendent Jurisdiction

Following the district court's entry of summary judgment on all the Batistes' claims against defendants except Paul and Michael Batiste's claims of conversion and misappropriation, the court declined to retain supplemental jurisdiction over the remaining claims under 28 U.S.C. § 1367 and granted the Batistes' motion to voluntarily dismiss these claims without prejudice. Defendants appeal the district court's decision to dismiss these claims without prejudice and urge us to render judgment on these claims as well, arguing that they are also time-barred because they were filed more than one year after Paul and Michael Batiste admit they knew the facts underlying their causes of action. Defendants contend that the district court abused its discretion by allowing the Batistes' voluntary dismissal just one month before trial and after defendants had spent three years and more than one million dollars fighting this litigation, and defendants further note that the parties had engaged in

extensive discovery including numerous depositions, provided the district court with hundreds of pages of briefing and several hours of oral argument, and had "extensively addressed" these remaining claims.

We review a district court's decision to decline jurisdiction over pendent state-law claims for an abuse of discretion. See Robertson v. Neuromedical Ctr., 161 F.3d 292, 296 (5th Cir. 1998); McClelland v. Gronwaldt, 155 F.3d 507, 519 (5th Cir. 1998). "Our review is guided by the relevant statutory provisions governing the exercise of supplemental jurisdiction, see 28 U.S.C. § 1367(c), as well as the Supreme Court's articulation of the scope and nature of district courts' discretion in exercising jurisdiction over pendent state law claims." McClelland, 155 F.3d at 519. We must therefore consider both the statutory provisions of 28 U.S.C. § 1367(c) and the balance of the relevant factors of judicial economy, convenience, fairness, and comity that the Supreme Court outlined in Carnegie-Mellon University v. Cohill, 484 U.S. 343, 350-51 (1988), and United Mine Workers v. Gibbs, 383 U.S. 715, 726 (1966), in determining whether the district court abused its discretion in allowing the Batistes' voluntary dismissal of their remaining state-law claims.

Although we have stated that our "general rule" is to decline to exercise jurisdiction over pendent state law claims when all federal claims are dismissed or otherwise eliminated from a case prior to trial, this rule is neither mandatory nor absolute. McClelland, 155 F.3d at 519 (citing Wong v. Stripling, 881 F.2d 200, 204 (5th Cir. 1989)); see Cohill, 484 U.S. at 350 n.7 (stating that "in the usual case in which all federal-law claims are eliminated before trial, the balance of

factors to be considered under the pendent jurisdiction doctrine. . .will point toward declining to exercise jurisdiction over the remaining state-law claims"). Thus, while the district court's dismissal of the Batistes' federal claims "provides 'a powerful reason to choose not to continue to exercise jurisdiction,' no single factor is dispositive in this analysis." McClelland, 155 F.3d at 519 (quoting Cohill, 484 U.S. at 351); see Newport Ltd. v. Sears, Roebuck and Co., 941 F.2d 302, 307 (5th Cir. 1991). We therefore must review the district court's decision "in light of the specific circumstances of the case at bar." McClelland, 155 F.3d at 519; see Parker & Parsley Petroleum Co. v. Dresser Indus., 972 F.2d 580, 585 (5th Cir. 1992).

We begin our analysis of the factors relevant to the pendent jurisdiction inquiry by noting that the remaining claims do not involve any "novel or complex" issues of state law. Newport Ltd., 941 F.2d at 308 (stating that district court abused its discretion in allowing plaintiff to voluntarily dismiss state-law claims because, inter alia, the remaining issues "present no novel or especially unusual questions which cannot be readily and routinely resolved by the court a 'quo"); cf. McClelland, 155 F.3d at 519-20 ("[O]ur section 1367(c) analysis results in the conclusion that remand is appropriate" based, in part, on the presence of "at least one 'novel or complex' issue of state law."); Parker & Parsley Petroleum, 972 F.2d at 589 (stating that principles of federalism and comity "point strongly toward dismissal" because "[a]ll of the remaining legal issues of the case, of course, are of state law. . . [and] are difficult ones"). The district court here had already granted defendants summary judgment on some state-law claims, and, as we set forth above, all state-law claims are prescribed. The absence of

any difficult state-law questions thus weighs heavily toward our conclusion that the district court abused its discretion in refusing to retain jurisdiction over the remaining claims.

We also conclude that the factors of judicial economy, convenience, and fairness to the parties strongly point toward our conclusion that the district court erred by not retaining jurisdiction here. The case had been pending in the district court for almost three years when the court allowed the Batistes' voluntary dismissal, and the trial was scheduled to begin one month later. See Newport Ltd., 941 F.2d at 307-08 ("[A]fter four years of litigation produced 23 volumes and thousands of pages of record, the preparation of a pretrial order exceeding 200 pages, over a hundred depositions, and according to counsel nearly two hundred thousand pages of discovery production, the declining to hear this case on the eve of trial constituted an abuse of the trial court's discretion."); cf. Cohill, 484 U.S. at 351 ("When the single federal-law claim in the action was eliminated at an early stage of the litigation, the District Court had a powerful reason to choose not to exercise jurisdiction."). The instant case has produced more than sixteen volumes of record over the course of three years, numerous depositions and discovery disputes, and significant consideration by the district court of multiple motions to dismiss claims or grant summary judgment. See Parker & Parsley Petroleum, 972 F.2d at 587 ("[T]he amount of judicial resources that the case has consumed is most important for our analysis as an indication of the familiarity of the forum with the case and its ability to resolve the dispute efficiently."). The familiarity of the district court with the merits of the Batistes' claims demonstrates that further proceedings in the district court would prevent redundancy and conserve scarce judicial

resources, and we therefore conclude that principles of judicial economy, convenience, and fairness to the parties weigh heavily toward our determination that the district court abused its discretion in dismissing the Batistes' remaining claims.

After considering and weighing all the factors present in this case, and relying especially on our conclusion that the district court was intimately familiar with the Batistes' claims and the absence of any difficult state-law issue in the remaining claims, we thus conclude that the district court abused its discretion and reverse its decision dismissing Paul and Michael Batiste's conversion and misappropriation claims without prejudice. Furthermore, in the interest of further judicial economy and in light of our determination above that the Batistes' state-law claims are prescribed, we remand Paul and Michael Batiste's conversion and misappropriation claims to the district court with instructions to enter judgment in favor of all defendants except Bolden, disposing of all claims against such defendants.

IV. CONCLUSION

For the foregoing reasons, we AFFIRM the judgment of the district court granting defendants summary judgment and dismissing Featherstone for lack of personal jurisdiction, REVERSE the district court's dismissal of Paul and Michael Batiste's misappropriation and conversion claims against all defendants except Bolden, and REMAND with instructions to enter judgment in favor of such defendants on those claims.

APPENDIX B

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

[Filed January 12, 1998]
[Entered January 13, 1998]

No. 95-0787

DAVID BATISTE, ET AL. *Plaintiff*,	)	
v.	)	CIVIL ACTION
ISLAND RECORDS, INC., ET AL. *Defendant*.	)	SECTION "S"

JUDGMENT

The Court granted the motion of defendants', Island Records Inc., Island Records Ltd, MCA Music Publishing, Gee St Records Inc., Isaac Bolden, & Attrell Cordes, for summary judgment on September 8, 1997.

Accordingly:

IT IS ORDERED, ADJUDGED AND DECREED that there be judgment in favor of defendants', Island Records Inc., Island Records Ltd, MCA Music Publishing, Gee St

Records Inc., Isaac Bolden, & Attrell Cordes, and against plaintiffs', David Batiste, Paul Batiste, & Michael Batiste, dismissing plaintiff's complaint.

New Orleans, Louisiana, this 12th day of January, 1998.

/s/_____
UNITED STATES DISTRICT JUDGE

DATE OF ENTRY: JAN 13 1998

APPENDIX C

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

[Filed January 5, 1998]

No. 95-0787

DAVID BATISTE, ET AL. *Plaintiff*,	)	
v.	)	CIVIL ACTION
ISLAND RECORDS, INC., ET AL. *Defendant*.	)	SECTION "S"

ORDER

Considering the memoranda of counsel and the applicable law, IT IS ORDERED that defendants' Motion for Reconsideration of Partial Denial of Movants' Motion for Summary Judgment (Doc. #183) be and hereby is DENIED.

IT IS FURTHER ORDERED that plaintiffs' Motion for Reconsideration and/or to Revise Order and Reasons Entered September 8, 1997 and Order Entered September 30, 1997 (Doc. #184) be and hereby is DENIED.

IT IS FURTHER ORDERED that Plaintiffs' Motion for a Conditional Dismissal Pursuant to 28 U.S.C. 1367(c) be and hereby is GRANTED. Accordingly, plaintiffs' remaining state law claims are DISMISSED.

IT IS FURTHER ORDERED that defendants' Motion for Entry of Judgment Pursuant to Rule 54(b) of the Federal Rules of Civil Procedure be and hereby is GRANTED. Accordingly, pursuant to Rule 54(b) of the Federal Rules of Civil Procedure the court finds that there is no just reason for delay and therefore directs the Clerk of Court to enter final judgment in accordance with this court's Order and Reasons of September 9, 1997.

New Orleans, Louisiana this 5th day of January, 1998.

/s/_____
MARY ANN VIAL LEMMON
UNITED STATES DISTRICT JUDGE

APPENDIX D

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

[Filed September 29, 1997]
[Entered September 30, 1997]

No. 95-0787

DAVID BATISTE, ET AL. *Plaintiff*,	)	
v.	)	CIVIL ACTION
ISLAND RECORDS, INC., ET AL. *Defendant*.	)	SECTION "S"

ORDER

IT IS ORDERED that this court's Order and Reasons issued on September 8, 1997 be and hereby is AMENDED to include the following recitation of the claims remaining for trial.

The court granted summary judgment in favor of the defendants on all of plaintiff David Batisite's claims. This court also granted summary judgment in favor of the defendants on all of plaintiffs Paul and Michael Batiste's claims, except their state law claims for conversion and

misappropriation of the physical master recording containing the recorded performance of the song "Funky Soul." Accordingly, the only issues remaining for trial are whether Paul and Michael Batiste owned the physical master recording, whether David Batiste was acting on their behalf when he transferred ownership of that master recording, and whether the defendants converted or misappropriated that physical master recording.

New Orleans, Louisiana this 29th day of September, 1997.

/s/_____
MARY ANN VIAL LEMMON
UNITED' STATES DISTRICT JUDGE

APPENDIX E

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF LOUISIANA

[Filed September 8, 1997]
[Entered September 9, 1997]

No. 95-0787

DAVID BATISTE, ET AL. *Plaintiff*,	)	
v.	)	CIVIL ACTION
ISLAND RECORDS, INC., ET AL. *Defendant*.	)	SECTION "S"

ORDER AND REASONS

Considering the memoranda of counsel and the applicable law, IT IS ORDERED that defendants' Motion for Summary Judgment in the above captioned matter is GRANTED in part and DENIED in part, defendant' Motion to Dismiss for Lack of Subject Matter Jurisdiction is GRANTED, and plaintiffs' Motion for Summary Judgment is DENIED. The court assigns the following reasons for its ruling.

I. BACKGROUND

Plaintiffs David Batiste, Paul Batiste and Michael Batiste filed suit against defendants Island Records Limited ("Island Limited"), Island Records Incorporated ("Island Inc."), Wade Featherstone, MCA Music Publishing ("MCA"), Attrell Cordes, Isaac Bolden, and Gee Street Records, alleging that defendants violated the Lanham Act, 15 U.S.C. § 1125, federal copyright laws, 17 U.5.C. 1101, et seq., state laws governing conversion, La, C.C. art. 2315, and misappropriation, La. C.C. art. 477, et seq., and the Louisiana Unfair Trade Practices Law ("LUTPL"), La. R.S. 51:1401, et seq., when they composed and recorded a song entitled "So On and So On" that incorporated parts of a song entitled "Funky Soul," composed and recorded by plaintiffs.[1]

II. CROSS-MOTIONS FOR SUMMARY JUDGMENT AND MOTION TO DISMISS FOR LACK OF SUBJECT MATTER JURISDICTION

Defendants Island Limited, Island Inc., MCA, Gee Street Records and Attrell Cordes a Motion to Dismiss for Lack of Subject Matter Jurisdiction (Doc. #95) in which they seek to dismiss plaintiffs' federal copyright infringement claims and a Motion for Summary Judgment (Doc. #93) in which they seek judgment on all of plaintiffs' claims. Plaintiffs filed a

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[1] Defendants Attrell Cordes and MCA filed a counterclaim against plaintiffs, alleging that plaintiffs collected a portion of the royalties generated by the song "So On and So On" in violation of La. C.C. art. 2315 and the LUTPL. Defendant Isaac Bolden filed a counterclaim against plaintiff, alleging the plaintiffs' charges against him have defamed him in violation of La. C.C. art. 2315.

Cross-Motion for Summary Judgment (Doc. #114) in which they seek summary judgment in their favor on their copyright, Louisiana property law and Lanham Act claims. The parties agree that plaintiffs' claims for wrongful use of the recording of their performance arise under state law, plaintiff's claims for misappropriation of the physical master recording also arise under state law, and that plaintiffs' claims for infringement of the musical composition of the song "Funky Soul" arise under federal copyright law.

A. FEDERAL COPYRIGHT CLAIMS: MUSICAL COMPOSITION

Defendants argue that the plaintiffs lack standing to sue for federal copyright infringement. Section 501(b) of Title 17 of the United States Code provides:

> The legal or beneficial owner of an exclusive right under a copyright is entitled, subject to requirements of section 411, to institute an action for any infringement of that particular right committed while he or she is the owner of it.

Section 411(b) of Title 17 of the United States Code provides:

> [N]o action for infringement of the copyright in any work shall be instituted until registration of the copyright claim has been made in accordance with this title. In any case, however, where the deposit, application, and fee required for registration have been delivered to the Copyright Office in proper form and registration has been refused, the applicant is entitled to institute an action for infringement if

> notice thereof, with a copy of the complaint, is served on the Register of Copyrights.

Defendants argue that because plaintiffs failed to register a copyright in the musical composition "Funky Soul"[2] that plaintiffs lack standing to maintain a federal copyright infringement suit.

On April 8, 1970, one of the plaintiffs, David Batiste, signed a document entitled Standard Songwriter's Contract, which provides in pertinent part:

> 1. The Writer(s) hereby sells, assigns, transfers and delivers to the Publisher, its successors and assigns, a certain heretofore unpublished original musical composition, written and/or composed by the above named writer(s), now entitled:
> FUNKY SOUL (GOING TO SEE THE MAN) including the title, words and music, and all copyrights thereof, including but not limited to the copyright registration thereof No. and all rights, claims and demands in any way relating thereto, and the exclusive right to secure copyright therein throughout the entire world, and to have and to hold the said copyrights and all rights of whatsoever nature now and hereafter thereunder existing and/or existing under any agreements or licences relating thereto, for an during the full terms of all of said copyrights.

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[2] Plaintiffs attempted to obtain a copyright in 1993, but failed to complete the application process.

. . .

> 2. The writer(s) hereby warrants that the said composition is his sole, exclusive and original work, and that he has full right and power to make the within agreement, and that there exist no adverse claims to or in the said composition.. The writer(s) hereby further warrants and represents that he is not a member of the American Society of Composers, Authors and Publishers, the Songwriter's Protective Association, or of any other society or association which requires as a condition of membership the assignment of right of any kind in said musical work and that no assignment of any of the rights herein set forth has been directly or indirectly made to Broadcast Music, Inc. or any other person, firm or corporation whatsoever.
>
> . . .

See Standard Songwriter's Contract (attached to defendants' Memorandum in Support of its Motion for Summary Judgment as exhibit C1). The Standard Songwriter's Contract effectively transferred any interest plaintiff David Batiste had in the musical composition of "Funky Soul" to co-defendant Isaac Bolden in exchange for the payment of royalties generated by the musical composition. Defendant Isaac Bolden subsequently registered a copyright in the musical composition "Funky Soul" in his name and authorized defendant Island Records to use that composition.

In *Cortner v. Israel*, 732 F.2d 267 (2nd Cir. 1984), the Second Circuit noted that "[w]hen a composer assigns copyright title to a publisher in exchange for the payment of

royalties, an equitable trust relationship is established between the two parties which gives the composer standing to sue for infringement of that copyright." *Cortner,* 732 F.2d at 271. In *Cortner*, plaintiffs were composers of a musical composition who assigned their rights in that composition to a publisher in exchange for royalties. *Id.* at 269. The publisher subsequently assigned its rights in that composition to a third-party ("ABC"), who registered the composition with the U.S. Copyright Office. *Id.* ABC commissioned two alternate composers to create a new derivative musical composition based on the version created by the plaintiffs. *Id.* at 270. The plaintiffs filed suit against the alternate composers for copyright infringement under federal copyright law and joined ABC as a defendant for refusing to join in the action as a plaintiff. *Id.* The district court granted summary judgment in favor of the defendants and the Second Circuit affirmed, noting that although the plaintiffs had standing to sue as beneficial owners of the copyright registered in the name of ABC:

> [a] more troubling question is whether ABC and those commissioned by it to compose the replacement theme . . . can be charged with infringement of [plaintiffs'] beneficial interest in the original copyrighted theme. Infringement is the violation of an owner's copyright interest by a non-owner. The purpose of an infringement suit is to protect the owner's property interest. It is elementary that the lawful owner of a copyright is incapable of infringing a copyright interest that is owned by him; nor can a joint owner of a copyright sue his co-owner for infringement. The copyright owner possesses the rights to reproduce the copyrighted work and to prepare derivative works based on the copyrighted works, . . . and

> he may employ others to produce derivative works for hire, in which event, the owner, in the absence of a contrary agreement, acquires the copyright to the new material in the derivative work. Moreover, when a derivative work, . . . is commissioned by the copyright owner of the work from which it is derived and produced with that owner's consent, the derivation composition does not infringe the pre-existing composition.

Id. at 271 (citations omitted and alterations and omissions added). In applying those principals to the case before it, the Second Circuit held:

> it is clear that ABC, being the owner of legal title to the underlying copyrighted theme, cannot be held liable for infringement under the Copyright Act and that defendants. . . , being either employees for hire in the production of ABC's replacement theme or persons commissioned by ABC as owner of the legal title to create a work derived from the pre-existing theme, cannot be liable for infringement.

1. <u>Plaintiff David Batiste's claim for federal copyright infringement</u>

In the present case, as in *Cortner*, plaintiff David Batiste, in exchange for the promise of future royalties, assigned his rights in a musical composition to a third-party, defendant Isaac Bolden, who subsequently registered a copyright and authorized the use of that composition to other parties. Thus, as in *Cortner*, plaintiff David Batiste has

standing to sue the defendants for copyright infringement as a beneficial owner of the copyright registered in the name of defendant Isaac Bolden. However, as in *Cortner*, plaintiff, David Batiste, assigned his right to copyright a musical composition to another who registered a copyright and authorized the use of that work by the co-defendants, and therefore, as in *Cortner*, the actual owner of the copyright, Isaac Bolden, and his assignees cannot be held liable for copyright infringement under federal law. Therefore, defendants are entitled to summary judgment on plaintiff David Batiste's federal claims for copyright infringement.

2. Plaintiffs Paul and Michael Batitste's claims for federal copyright infringement

Plaintiffs Paul and Michael Batiste, who were minors at the time of the assignment, argue that they are joint authors of the musical composition and therefore even if David Batiste did assign his interest in that composition to defendant Isaac Bolden, David Batiste did not have authority to transfer their rights in that composition. Thus, plaintiffs Paul and Michael Batiste assert that their claims for federal copyright infringement against defendant Isaac Bolden, and his assignees, are unaffected by the Standard Songwriters Agreement. Professor Melville Nimmer, in his treatise, Nimmer on Copyright, states:

> Because one joint owner cannot be liable for copyright infringement of another joint owner, for the reason that one cannot infringe his own copyright, it follows that a joint owner may, without obtaining the consent of the other joint owners, either exploit the work himself, or grant a nonexclusive license to third parties. Therefore, an authorization from one joint

> owner will be an effective defense to an infringement action brought by another joint owner.

1 M. Nimmer, *Nimmer on Copyright* § 6.10.

Under this exposition of the law, the assignment of rights from one joint owner to a third party effectively prevents any other joint owner from succeeding on a federal copyright infringement claim against that third party. Therefore, even if plaintiffs Paul and Michael Batiste are joint owners of the musical composition and David Batiste was not authorized to assign their rights, David Batiste's assignment of his own rights to Isaac Bolden prevents Paul and Michael Batiste from succeeding on a federal copyright infringement claim against Isaac Bolden, and consequently, his transferees. Accordingly, defendants are entitled to summary judgment on Paul and Michael Batiste's claims for federal copyright infringement.

B. LUTPL CLAIMS: SOUND RECORDING OF THE PERSONAL PERFORMANCE OF "FUNKY SOUL"

Defendants and plaintiffs argue that they are entitled to summary judgment on plaintiffs' state law claims under the LUTPL which provides:

> (A) Unfair methods of competition and unfair or deceptive acts of practices in the conduct of any trade or commerce are hereby declared unlawful.

On April 8, 1970, plaintiff David Batiste signed a document entitled Artists Contract, which provides in pertinent part:

All masters recorded hereunder and all matrices and records manufactured therefrom, together with the performances embodied thereon, shall be entirely the property of the Company, free from any claims whatsoever by the Artists or any person deriving any rights or interests from the Artist. Without limiting any generality from the foregoing, the Company and/or its subsidiaries, affiliates and licensees shall have the exclusive and unlimited right to all the products of the services of the Artist hereunder including, but not limited to, the exclusive, unlimited and perpetual right:

(a) to manufacture, advertise, sell, lease license of otherwise use or dispose of, in any or all fields of use, by any method now or hereafter known, throughout the world, records embodying the performances to be recorded hereunder and also, at the Company's election, the performances of the other artists or musicians, all upon such terms and conditions as the Company may elect or, at its discretion, to refrain therefrom;

(b) to use and publish and to permit others to use and publish the Artist's name (including any professional name heretofore or hereafter adopted by the Artist), photograph and likeness and biographical material concerning the Artist for advertising and trade purposes in connection with the records made pursuant hereto and the business and

products of the Company or, at its discretion, to refrain therefrom;

(c) to release records embodying the performances to be recorded hereunder under any name, trademark or label which the Company and/or its subsidiaries, affiliates and licensees may from time to time elect;

(d) to perform the records publicly and to permit public performances thereof by means of radio broadcast, television or any other method now or hereafter known; and

(e) to discontinue at any time the manufacture and sale of any records made hereunder.

See Artist Contract (attached to plaintiffs' Memorandum in Support of its Opposition to defendants' Motion for Summary Judgment as exhibit 4).

1. **Plaintiff David Batiste's LUTPL claim**

The Artists Contract effectively transferred any interest plaintiff David Batiste had in the recorded performance of the song "Funky Soul" to co-defendant Isaac Bolden[3] in exchange for the payment of royalties generated by that recorded

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[3] Although the Artist Contract transfers rights to "the Company," the Company is defined as being Isaac Bolden, Camille Imcardona, and Virgus Engeran.

performance. "A party is entitled to summary judgment when there is no genuine issue of material fact which would allow a reasonable jury to find in favor of the non-moving party." *Russell v. Acme-Evans Co.*, 1995 WL 35699 at *1 (7th Cir. 1995). An unfair trade practice is one which is "immoral, unethical, oppressive, unscrupulous, or substantially injurious to any person including business consumers or competitors." *Roustabouts, Inc. v. Hamer*, 447 So.2d 543, 548 (La. App. 1st Cir. 1984). The LUTPL does not prohibit "sound business practices, the exercise of permissible business judgment or appropriate free enterprise transactions." *Turner v. Purina Mills, Inc.*, 989 F.2d 1419, 1422 (5th Cir. 1993). Plaintiff David Batiste assigned his interest in the recorded performance of "Funky Soul" to Isaac Bolden and therefore no reasonable jury could find that the use of that recorded performance by Isaac Bolden, or by the co-defendants to whom Isaac Bolden gave authorization, was unfair or deceptive within the meaning of the LUTPL. Accordingly, defendants are entitled to summary judgment on plaintiff David Batiste's LUTPL claims.

2. **Plaintiff Paul and Michael Batiste's LUTPL claims.**

Plaintiffs Paul and Michael Batiste argue that they are co-owners of the recorded performance of "Funky Soul" and therefore even if David Batiste did assign his rights in that recorded performance to defendant Isaac Bolden, David Batiste did not have authority to transfer their rights in the performance. Even if Paul and Michael Batiste are co-owners of the recorded performance and David Batiste was not authorized to act on their behalf in assigning their rights in that recorded performance, the plaintiffs have failed to set forth evidence from which a reasonable jury could find that the defendants either knew or should have known of Paul and Michael's ownership rights and David's lack of authority to act

on their behalf. "Conduct does not violate the Louisiana Unfair Trade Practice Law unless it is undertaken with the specific intent to harm [a party]." *United Group of Nat'l Paper Distribs., Inc. v. Vinson*, 666 So.2d 1338 (La. App. 2d), *writ denied*, 679 So.2d 1358 (1996). Because plaintiffs have failed to present evidence that the defendants knew or should have known of Paul and Michael's ownership rights and David's lack of authority to act on their behalf, plaintiff's have failed to set forth evidence from which a reasonable jury could find that defendants acted with intent to harm Paul and Michael Batiste. Therefore, plaintiffs have failed to set forth any evidence from which a reasonable jury could find that the actions of the defendants were "unfair or deceptive" within the meaning of the LUTPL. Accordingly, defendants are entitled to summary judgment on Paul and Michael Batiste's LUTPL claims.

C. STATE CONVERSION AND MISAPPROPRIATION CLAIMS: PHYSICAL MASTER RECORDING

Defendants and plaintiffs argue that they are entitled to summary judgment of plaintiffs' state law claims for conversion and misappropriation of the physical master recording containing the recorded performance of "Funky Soul." Under Louisiana law, conversion is defined as "an act in derogation of the plaintiff's possessory rights or any wrongful exercise of assumption of authority over another's goods, depriving him of the possession, permanently, or for an indefinite time." *Chrysler Credit Corp. v. Whitney Nat. Bank*, 51 F.3d 553 (5th Cir. 1995).

1. Plaintiff David Batiste's claims for conversion and misappropriation

The Artists Contract signed by plaintiff David Batiste effectively transferred any ownership rights he may have had in the physical master recording containing the recorded performance of "Funky Soul." "A party is entitled to summary judgment when there is no genuine issue of material fact which would allow a reasonable jury to find in favor of the non-moving party." *Russell v. Acme-Evans Co.*, 1995 WL 35699 at *1 (7th Cir. 1995). Because David Batiste transferred his ownership rights, no reasonable jury could find that the defendants converted plaintiff David Batiste's property. Accordingly, defendants are entitled to summary judgment on plaintiff David Batiste's state law claim for conversion and misappropriation.

2. Plaintiffs Paul and Michael Batiste's claims for conversion and misappropriation

Plaintiffs Paul and Michael Batiste argue that they are co-owners of the master recording of the recorded performance of "Funky Soul" and therefore even if David Batiste did assign his rights in that master recording to defendant Isaac Bolden, David Batiste did not have authority to transfer their rights in that master recording. Unlike plaintiffs' LUTPL claims, plaintiffs need not prove that the defendants knew or should have known of Paul and Michael's ownership rights and that David Batiste lacked authority to act on their behalf to succeed on their claims for conversion and misappropriation. Plaintiffs need not prove that defendants acted unfairly or deceptively to succeed on their conversion and misappropriation claims. They need only establish that the defendants are in possession of property which belongs to them. Therefore, whether Paul and Michael are joint owners of the master recording and whether

David Batiste had authority to assign their rights in that mast recording are questions of fact which, unlike in plaintiff's LUTPL claims, will impact the determination of whether plaintiffs' conversion and misappropriation claims will succeed. Accordingly, because material issues of fact exist concerning whether defendant's converted or misappropriated property belonging to the plaintiffs Paul and Michael Batiste, defendants are not entitled to summary judgment on these claims.

D. LANHAM ACT CLAIMS

Plaintiffs and defendants argue that they are entitled to summary judgment on plaintiffs' Lanham Act claims. The Lanham Act, 15 U.S.C. § 1125, prohibits the "passing off" of another's work as one's own and the "reverse passing off" of failing to give proper credit to the creator of a work. As an element of a Lanham Act claim, a plaintiff must establish that the "passing off" or "reverse passing off" is likely to lead to confusion. In the present case, the jacket to the CD cover of the Bliss Album created and published by the defendants provides: "'Funky Soul' performed by David Batiste & the Gladiators used under license from Isaac Bolden." "A party is entitled to summary judgment when there is no genuine issue of material fact which would allow a reasonable jury to find in favor of the non-moving party." *Russell v. Acme-Evans Co.*, 1995 WL 35699 at *1 (7th Cir. 1995). Plaintiffs have failed to present evidence from which a reasonable jury could find that the defendants "passed off" plaintiffs' work as their own or failed to give them proper credit. Accordingly, defendants are entitled to summary judgment on plaintiffs' Lanham Act claims.

New Orleans, Louisiana this 8th day of September, 1997.

/s/_____
MANY ANN VIAL LEMMON
UNITED STATES DISTRICT JUDGE

APPENDIX F

IN THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

[Filed July 26, 1999]

No. 98-30046

DAVID BATISTE; PAUL BATISTE; MICHAEL BATISTE
Plaintiffs-Appellants-Cross-Appellees,

v.

ISLAND RECORDS INC; ISLAND RECORDS LTD; MCA MUSIC PUBLISHING, A Division of MCA, Inc; ATTRELL CORDES, also known as P M Dawn, doing business as P M Dawn; WADE FEATHERSTONE, individually; GEE STREET RECORDS INC.
Defendants-Appellees-Cross-Appellants.

and

ISAAC BOLDEN
Defendant-Appellee

Appeals from the United States District Court for the Eastern District of Louisiana, New Orleans

ON PETITION FOR REHEARING AND REHEARING EN BANC

Before KING, Chief Judge, REAVLEY and BENAVIDES, Circuit Judges.

PER CURIAM:

(X) The Petition for Rehearing is DENIED and no member of this panel nor judge in regular active service on the court having requested that the court be polled on Rehearing En Banc, (FED. R. APP. P. and 5TH CIR. R. 35) the Petition for Rehearing En Banc is also DENIED.

( ) The Petition for Rehearing is DENIED and the court having been polled at the request of one of the members of the court and a majority of the judges who are in regular active service not having voted in favor, (FED. R. APP. P. and 5TH CIR. R. 35) the Petition for Rehearing En Banc is also DENIED.

( ) A member of the court in active service having requested a poll on the reconsideration of this cause en banc, and a majority of the judges in active service not having voted in favor Rehearing En Banc is DENIED.

The mandate shall issue forthwith.

ENTERED FOR THE COURT:

/s/_____
Chief Judge

APPENDIX G

IN THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

[Filed July 9, 1999]

No. 98-30046

DAVID BATISTE; PAUL BATISTE; MICHAEL BATISTE
Plaintiffs - Appellants-Cross-Appellees

v.

ISLAND RECORDS INC; ISLAND RECORDS LTD; MCA MUSIC PUBLISHING, A Division of MCA, Inc; ATTRELL CORDES, also known as P M Dawn, doing business as P M Dawn; WADE FEATHERSTONE, Individually; GEE STREET RECORDS INC
Defendants - Appellees-Cross-Appellants

and

ISAAC BOLDEN
Defendant - Appellee

Appeals from the United States District Court for the Eastern District of Louisiana, New Orleans

ORDER

IT IS ORDERED that the motion of appellants-cross-appellees to extend the time until July 12, 1999, in which to file petition for rehearing and petition for rehearing en banc, is granted.

/s/_____
CAROLYN DINEEN KING
CHIEF JUDGE

APPENDIX H

UNITED STATES CODE
TITLE 17 - COPYRIGHTS

CHAPTER 1 - SUBJECT MATTER AND SCOPE OF COPYRIGHT

* * *

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§ 101 Definitions

As used in this title, the following terms and their variant forms mean the following:

* * *

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A work is "created" when it is fixed in a copy or phonorecord for the first time; where a work is prepared over a period of time, the portion of it that has been fixed at any particular time constitutes the work as of that time, and where the work has been prepared in different versions, each version constitutes a separate work.

A "derivative work" is a work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgement, condensation, or any other form in which a work may be

recast, transformed, or adapted. A work consisting of editorial revisions, annotations, elaborations, or other modifications which, as a whole represent an original work of authorship, is a "derivative work."

* * *

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"Phonorecords" are material objects in which sounds, other than those accompanying a motion picture or other audiovisual work, are fixed by any method now known or later developed, and from which the sounds can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. The term "phonorecords" includes the material object in which the sounds are best fixed.

* * *

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"Sound recordings" are works that result from the fixation of a series of musical, spoken, or other sounds, but not including the sounds accompanying a motion picture or other audiovisual work, regardless of the nature of the material objects, such as disks, tapes, or other phonorecords in which they are embodied.

* * *

A "transfer of copyright ownership" is an assignment, mortgage, exclusive license, or any other conveyance, alienation, or hypothecation of a copyright, or of any of the exclusive rights comprised in a copyright, whether or not it is

limited in time or place of effect, but not including a nonexclusive license.

* * *

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§ 102 Subject matter of copyright: In general

(a) Copyright protection subsists, in accordance with this title, in original works of authorship fixed in any tangible medium of expression, now known or later developed, from which they can be perceived, reproduced, or otherwise communicated, either directly or with the aid of a machine or device. Works of authorship include the following categories:

* * *

(2) musical works, including any accompanying words;

* * *

§ 103 Subject matter of copyright: Compilations and derivative works.

(a) The subject matter of copyright as specified by section 102 includes compilations and derivative works, but protection for a work employing preexisting material in which copyright subsists does not extend to any part of the work in which such material has been used unlawfully.

(b) The copyright in a compilation or derivative work extends only to the material contributed by the author of such work,

as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material. The copyright in such work is independent of, and does not affect or enlarge the scope, duration, ownership, or subsistence of, any copyright protection in the preexisting material.

(Oct. 19, 1976, Pub. L.94-553, §101, 90 Stat. 2545.)

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§ 115 Scope of exclusive rights in nondramatic musical works: Compulsory license for making and distributing phonorecords.

In the case of nondramatic musical works, the exclusive rights provided by clauses (1) and (3) of section 106, to make and to distribute phonorecords of such works, are subject to compulsory licensing under the conditions specified in this section.

(a) *Availability and scope of compulsory license.* -

(1) When phonorecords of a nondramatic musical work have been distributed to the public in the United States under the authority of the copyright owner, any other person, including those who make phonorecords or digital phonorecord deliveries, may, by complying with the provisions of this section, obtain a compulsory license to make and distribute phonorecords of the work. A person may obtain a compulsory license only if his or her primary purpose

in making phonorecords is to distribute them to the public for private use, including by means of a digital phonorecord delivery. A person may not obtain a compulsory license for use of the work in the making of phonorecords duplicating a sound recording fixed by another, unless, (i) such sound recording was fixed lawfully; and (ii) the making of the phonorecords was authorized by the owner of copyright in the sound recording or, if the sound recording was fixed before February 15, 1972, by any person who fixed the sound recording pursuant to an express license from the owner of the copyright in the musical work or pursuant to a valid compulsory license for use of such work in a sound recording.

(2) A compulsory license includes the privilege of making a musical arrangement of the work to the extent necessary to conform it to the style or manner of interpretation of the performance involved, but the arrangement shall not change the basic melody or fundamental character of the work, and shall not be subject to protection as a derivative work under this title, except with the express consent of the copyright owner.

(b) *Notice of intention to obtain compulsory license.* –

(1) Any person who wishes to obtain a compulsory license under this section shall, before or within thirty days after making, and before distributing any phonorecords of the work, serve notice of intention to do so on the copyright owner. If the registration or other public records of the Copyright Office do not

identify the copyright owner and include an address at which notice can be served, it shall be sufficient to file the notice of intention in the Copyright Office. The notice shall comply, in form, content, and manner of service, with requirements that the Register of Copyrights shall prescribe by regulation.

(2) Failure to serve or file the notice required by clause (1) forecloses the possibility of a compulsory license and, in the absence of a negotiated license, renders the making and distribution of phonorecords actionable as acts of infringement under section 501 and fully subject to the remedies provided by sections 502 through 506 and 509.

(c) *Royalty payable under compulsory license.*

(1) To be entitled to receive royalties under a compulsory license, the copyright owner must be identified in the registration or other public records of the Copyright Office. The owner is entitled to royalties for phonorecords made and distributed after being so identified, but is not entitled to recover for any phonorecords previously made and distributed.

(2) Except as provided by clause (1), the royalty under a compulsory license shall be payable for every phonorecord made and distributed in accordance with the license. For this purpose, and other than as provided in Paragraph (3), a phonorecord is considered "distributed" if the person exercising the compulsory license has voluntarily and permanently parted with its possession. With respect to each work

embodied in the phonorecord, the royalty shall be either two and three-fourths cents*, or one-half of one cent per minute of playing time or fraction thereof, whichever amount is larger.

* * *

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(B) Notwithstanding any provision of the antitrust laws, any copyright owners of nondramatic musical works and any persons entitled to obtain a compulsory license under subsection (a)(1) may negotiate and agree upon the terms and rates of royalty payments under this paragraph and the proportionate division of fees paid among copyright owners, and may designate common agents to negotiate, agree to, pay or receive such royalty payments. Such authority to negotiate the terms and rates of royalty payments includes, but is not limited to, the authority to negotiate the year during which the royalty rates prescribed under subparagraphs (B) although (F) and chapter 8 of this title shall next be determined.

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(D) In the absence of license agreements negotiated under subparagraphs (B) and (C), upon the filing of a petition in accordance with section 803(a)(1), the Librarian of Congress shall, pursuant to chapter 8, convene a copyright arbitration royalty panel to determine and publish in the Federal Register a schedule of rates and terms which, subject to subparagraph

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* *Ed. Note:* Rates are readjusted pursuant to statute. *See* U.S.C. §§ 801-03.

(E), shall be binding on all copyright owners of nondramatic musical works and persons entitled to obtain a compulsory license under subsection (a) (1) during the period beginning January 1, 1998, and ending on the effective date of any new terms and rates established pursuant to subparagraph (C), (D) or (F), . . . In addition to the objectives set forth in section 801(b)(1), in establishing such rates and terms, the copyright arbitration royalty panel may consider rates and terms under voluntary license agreements negotiated as provided in subparagraph (B) and (C). . . .

* * *

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(E)(i) License agreements voluntarily negotiated at any time between one or more copyright owners of nondramatic musical works and one or more persons entitled to obtain a compulsory license under subsection (a)(1) shall be given effect in lieu of any determination by the Librarian of Congress.

* * *

(F) The procedures specified in subparagraphs (C) and (D) shall be repeated and concluded, in accordance with regulations that the Librarian of Congress shall prescribe, in each fifth calendar year after 1997, except to the extent that the different years for the repeating and concluding of such proceedings may be determined in accordance with subparagraphs (B) and (C).

* * *

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(I) The liability of the copyright owner of a sound recording for infringement of the copyright in a nondramatic musical work embodied in the sound recording shall be determined in accordance with applicable law, . . .

* * *

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(5) Royalty payments shall be made on or before the twentieth day of each month and shall include all royalties for the month next preceding. Each monthly payment shall be made under oath and shall comply with requirements that the Register of Copyrights shall prescribe by regulation. The Register shall also prescribe regulations under which detailed cumulative annual statements of account, certified by a certified public accountant, shall be filed for every compulsory license under this section. The regulations covering both the monthly and the annual statements of account shall prescribe the form, content, and manner of certification with respect to the number of records made and the number of records distributed.

(6) If the copyright owner does not receive the monthly payment and the monthly and annual statements of account when due, the owner may give written notice to the licensee that, unless the default is remedied within thirty days from the date of the notice, the compulsory license will be automatically terminated. Such termination renders either the making or the distribution, or both, of all phonorecords for which the royalty has not been paid, actionable as acts of infringement under section 501 and fully subject to the remedies provided by sections 502 through 506 and 509.

* * *

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CHAPTER 2 – COPYRIGHT OWNERSHIP AND TRANSFER

* * *

202. Ownership of copyright as distinct from ownership of material object,
203. Termination of transfers and licenses granted by the author,
204. Execution of transfers of copyright ownership.

* * *

§ 201 Ownership of copyright

(a) *Initial ownership*. Copyright in a work protected under this title vests initially in the author or authors of work. The authors of a joint work are coowners of copyright in the work.

* * *

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(d) *Transfer of ownership*.

(1) The ownership of a copyright may be transferred in whole or in part by any means of conveyance or by operation of law, and may be bequeathed by will or pass as personal property by the applicable laws of interstate succession.

(2) Any of the exclusive rights comprised in a copyright, including any subdivision of any of the rights specified by section 106, may be transferred as

provided by clause (1) and owned separately. The owner of any particular exclusive right is entitled, to the extent of that right, to all of the protection and remedies accorded to the copyright owner by this title.

* * *

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§ 203 Termination of transfers and licenses granted by the author

(a) Conditions for termination. – In the case of any work other than a work made for hire, the exclusive or nonexclusive grant of a transfer or license of copyright or of any right under a copyright, executed by the author on or after January 1, 1978, otherwise than by will, is subject to termination under the following conditions:

(1) In the case of a grant executed by one author, termination of the grant may be effected by that author or, if the author is dead, by the person or persons who, under clause (2) of this subsection, own and are entitled to exercise a total of more than one-half of that author's termination interest. In the case of a grant executed by two or more authors of a joint work, termination of the grant may be effected by a majority of the authors who executed it, if any of such authors is dead, the termination interest of any such author may be exercised as a unit by the person or persons who, under clause (2) of this subsection, own and are entitled to exercise a total of more than one-half of that author's interest.

* * *

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(3) Termination of the grant may be effected at any time during a period fo five years beginning at the end of thirty-five years from the date of execution of the grant, or, if the grant covers the right of publication of the work, the period begins at the end of thirty-five years from the date of publication of the work under the grant or at the end of forty years from the date of execution of the grant, whichever term ends earlier.

(4) The termination shall be effected by serving an advance notice in writing, signed by the number and proportion of owners of termination interests required under clauses (1) and (2) of this subsection, or by their duly authorized agents, upon the grantee or the grantee's successor in title.

> (A) The notice shall state the effective date of the termination, which shall fall within the five-year period specified by clause (3) of this subsection, and the notice shall be served not less than two or more than ten years before that date. A copy of the notice shall be recorded in the Copyright Office before the effective date of termination, as a condition to its taking effect.
>
> (B) The notice shall comply, in form, content, and manner of service, with requirements that the Register of Copyrights shall prescribe by regulation.

(5) Termination of the grant may be effected notwithstanding any agreement to the contrary, including an agreement to make a will or to make any future grant.

(b) Effect of termination. - Upon the effective date of termination, all rights under this title that were covered by the termination grants revert to the author, authors, and other persons owning termination interests under clauses (1) and (2) of subsection (a), including those owners who did not join in signing the notice of termination under clause (4) of subsection (a), but the following limitations:

(1) A derivative work prepared under authority of the grant before its termination may continue to be utilized under the terms of the grant after its termination, but his privilege does not extend to the preparation after the termination of other derivative works based upon the copyrighted work covered by the terminated grant.

* * *

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§ 204 Execution of transfers of copyright ownership

(a) A transfer of copyright ownership, other than by operation of law, is not valid unless an instrument of conveyance, or a note or memorandum of the transfer, is in writing and signed by the owner of the rights conveyed or such owner's duly authorized agent.

* * *

§205 Recordation of transfers and other documents

(a) *Conditions for recordation.* – Any transfer of copyright ownership or other document pertaining to a copyright may be recorded in the Copyright Office if the document filed for recordation bears the actual signature of the person who executed it, or if it is accompanied by a sworn or official certification that it is a true copy of the original, signed document.

(b) *Certificate of recordation.* – The Register of Copyrights shall, upon receipt of a document as provided by subsection (a) and of the fee provided by section 708, record the document and return it with a certificate of recordation.

(c) *Recordation as constructive notice.*– Recordation of a document in Copyright Office gives all persons constructive notice of the facts stated in the recorded document, but only if –

> (1) the document, or material attached to it, specifically identifies the work to which it pertains so that, after the document is indexed by the Register of Copyrights, it wold be revealed by a reasonable search under the title or registration number of the work, and
>
> (2) registration has been made for the work

(d) *Priority between conflicting transfers.* – As between two conflicting transfers, the one executed first prevails if it is recorded, in the manner required to give constructive notice under subsection (c), within one month after its execution in the United States or within two months after its execution outside the United States, or at any time before recordation in

such manner of the later transfer. Otherwise the later transfer prevails if recorded first in such manner, and if taken in good faith, for valuable consideration or on the basis of a binding promise to pay royalties, and without notice of the earlier transfer

(e) *Priority between conflicting transfer of ownership and nonexclusive license.* – A nonexclusive license, whether recorded or not, prevails over a conflicting transfer of copyright ownership if the license is evidenced by a written instrument signed by the owner of the rights licensed or such owner's duly authorized agent, and if –

(1) the license was taken before execution of the transfer; or

(2) the license was taken in good faith before recordation of the transfer and without notice of it.

(Oct. 19, 1976, Pub. L. 94-555, §101, 90 Stat. 2571; Oct. 31, 1988, Pub. L. 100-568, §5, 102 Sat. 2857.)

* * *

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§ 304 Duration of copyright: Subsisting copyrights

* * *

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(6) In the case of a grant executed by a person or persons other than the author, all rights under this title that were covered by the terminated grant revert, upon the effective date

of termination, to all of those entitled to terminate the grant under clause (1) of this subsection. In this case of a grant executed by one or more of the authors of the work, all of a particular author's rights under this title that were covered by the terminated grant revert, upon the effective date of termination, to that author or, if that author is dead, to the persons owning his or her termination interest under clause (2) of this subsection, including those owners who did not join in signing the notice of termination under clause (4) of this subsection. In all cases the reversion of rights is subject to the following limitations:

(A) A derivative work prepared under authority of the grant before its termination may continue to be utilized under the terms of the grant after its termination, but this privilege does not extend to the preparation after the termination of other derivative works based upon the copyrighted work covered by the terminated grant.

* * *

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§ 501 Infringement of copyright

* * *

[Page 350]

(b) The legal or beneficial owner of an exclusive right under a copyright is entitled, subject to the requirements of section 411, to institute an action for any infringement of that particular right committed while he or she is the owner of it.

* * *

(2)

No. 99-705

Supreme Court, U.S.
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IN THE

Supreme Court of the United States

DAVID BATISTE, PAUL BATISTE, and MICHAEL BATISTE,

Petitioners,

v.

ISLAND RECORDS, INC., ISLAND RECORDS, LTD., MCA MUSIC PUBLISHING, A DIVISION OF MCA, INC., ATTRELL CORDES, also known as P.M. DAWN, doing business as P.M. DAWN and GEE STREET RECORDS, INC.,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE FIFTH CIRCUIT

RESPONDENTS' BRIEF IN OPPOSITION

R. PATRICK VANCE
Counsel of Record
TIMOTHY S. CRAGIN
JONES, WALKER, WAECHTER, POITEVENT, CARRÈRE & DENÈGRE, LLP
201 St. Charles Avenue
New Orleans, LA 70170
(504) 582-8000

Attorneys for Respondents Island Records, Inc., Island Records, Ltd., Gee Street Records, Inc., MCA Music Publishing, A Division of MCA, Inc. and Attrell Cordes

CHARLES R. ORTNER
SANDRA A. CRAWSHAW
PROSKAUER ROSE LLP
1585 Broadway
New York, NY 10036-8299
(212) 969-3000

Attorneys for Respondents Island Records, Inc., Island Records, Ltd., Gee Street Records, Inc., MCA Music Publishing, a Division of MCA, Inc.

PARTIES TO THE PROCEEDING AND STATEMENT PURSUANT TO RULE 29.6

In addition to the parties listed by Petitioners, two additional parties warrant mention. Wade Featherstone was a defendant/appellee/cross-appellant in the proceedings below. The claims against Featherstone were dismissed by the district court for lack of personal jurisdiction and, on appeal, the Fifth Circuit held that Petitioners abandoned that issue. Petition, App. A at 9a. Accordingly, the Petition does not raise any issue with respect to Featherstone and he is properly omitted from the list of Respondents. Additionally, Isaac Bolden was a co-defendant in the district court, but did not cross-appeal or file an appellee brief in the Fifth Circuit, and the Court held that the district court's grant of summary judgment did not include Bolden.

MCA Music Publishing, A Division of MCA, Inc. (now "MCA Music Publishing, A Division of Universal Studios, Inc.") is a division of Universal Studios, Inc. Island Records, Inc., Island Records, Ltd., Gee Street Records, Inc. (now "GS Records, Inc.") are wholly-owned subsidiaries of Universal Studios, Inc. Universal Studios, Inc. is 80% owned by Seagram Company, Ltd. and 20% owned by Matsushita Electric Industrial Company, both of which are publicly traded.

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Cases:

Stewart v. Abend, 409 U.S. 207, 110 S. Ct. 1750, 109 L. Ed. 2d 184 (1990) 1, 3, 4, 7, 8, 9

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17 U.S.C.A. § 101 (West 1996) 6

17 U.S.C.A. § 103(b) (West 1996) 3, 4, 5, 6

REASONS FOR DENYING THE WRIT

The sole question presented by the Petition is whether an artist who incorporates pre-existing copyrighted material into a new derivative work acquires a "new copyright" in the pre-existing material. Pet. at *i*. Petitioners argue that the Fifth Circuit's opinion improperly holds that Attrell Cordes or his publisher acquired a duplicate or "cloned" copyright in the 6½-second digital sample of "Funky Soul" by incorporating that sample into the background music of the new work, "So On and So On." According to Petitioners, such a holding "drastically changes" the copyright law relating to derivative works, "dramatically deviates" from this Court's decision in *Stewart v. Abend*, 409 U.S. 207, 110 S. Ct. 1750, 109 L. Ed. 2d 184 (1990), and "unleashes the forces of copyright chaos." Pet. at 5, 7, and 13. However, the Fifth Circuit's opinion does not hold what Petitioners claim it holds; the parade of copyright horribles envisioned by Petitioners arises from a "straw man" ruling that they created, not from the opinion issued by the Fifth Circuit.

Neither the Fifth Circuit's actual ruling, nor the record below, raise the question presented by the Petition. The ruling is not in conflict with either the Copyright Act or *Stewart v. Abend* and the case has no far-reaching copyright implications. In short, Petitioners have made a "federal case" out of what is, and always should have been, nothing more than a state court contract dispute over royalties between Petitioners and their publisher, Isaac Bolden. The Fifth Circuit's ruling was proper in all respects and Respondents respectfully urge this Honorable Court to deny the Petition for Writ of Certiorari.

I.

NEITHER THE RECORD NOR THE DECISION BELOW RAISE THE QUESTION PRESENTED BY THE PETITION

The case below, as it relates to Petitioners' copyright infringement claim, involved two basic questions: (1) whether Respondents' licensor, Bolden, was a legal owner of the "Funky Soul" musical composition; and (2) whether Bolden properly authorized the non-exclusive use of the "Funky Soul" sample in "So On and So On" on P.M. Dawn's 1993 "Bliss Album." The Fifth Circuit answered both of these questions in the affirmative, relying on, *inter alia*, 1970 written contracts between Bolden and David Batiste for the ownership issue, and 1993 written contracts between Bolden and certain Respondents for the authorization issue. Pet., App. A at 12a-13a.

The question presented by Petitioners focuses on the ownership of "So On and So On," and the effect of that ownership on future royalties for Petitioners and/or licensing rights in the event of further uses of "So On and So On" beyond the "Bliss Album." However, the record below does not contain evidence of any use of "So On and So On" other than on the Bliss Album, and no such other use was made. Thus, Petitioners' question was not presented by the record and was not considered by the Fifth Circuit.

The Fifth Circuit stated, in no uncertain terms, that the "only question" presented by the Batistes' copyright infringement claims was "whether the Batistes [] successfully demonstrated a genuine issue of material fact that the multiple contracts among the parties are insufficient to authorize defendants' use of a digital sample of 'Funky Soul'

in their song 'So On [and So On].' " Pet., App. A at 12a-13a. Although Petitioners repeatedly refer to the Fifth Circuit's purported "cloned copyright" holding, they never cite to the portion of the appellate opinion that purportedly recognizes it. *See* Pet. at 5, 7, 10, 11, 12, and 13. There is a simple reason for Petitioners' lack of proper citation — the opinion, from caption to conclusion, does not contain a single mention of Petitioners' "cloned copyright," or any other equivalent reference. In fact, the Fifth Circuit's opinion is much less complex and far-reaching than Petitioners make it out to be. The Panel held, simply, that the Respondents' use of the "Funky Soul" sample in "So On and So On" was authorized and noninfringing, and that Petitioners' claims to the contrary should be dismissed. That holding was proper in all respects and does not call for a review by this Court.

II.

THE FIFTH CIRCUIT'S RULING DOES NOT CONFLICT WITH EITHER THE COPYRIGHT ACT OR *STEWART v. ABEND*

In a transparent attempt to grab this Court's attention, Petitioners argue that the Fifth Circuit's ruling is directly at odds with Section 103(b) of the Copyright Act of 1976 and with this Court's holding in *Stewart v. Abend*. Pet. at 7. Both contentions are meritless.

In the Fifth Circuit, the Batistes argued that Respondents' use of the "Funky Soul" digital sample in "So On and So On" and its release on the Bliss Album was infringing because: (1) the 1993 contracts between the parties only authorized the release of the new material in "So On and So On," not the pre-existing "Funky Soul" material that was

incorporated therein; and (2) even if the 1993 contracts contained the necessary authorization for the use of the "Funky Soul" digital sample, that authorization was invalid because the contracts purported to render "So On and So On" a joint work as between Bolden and Cordes in alleged contravention of Section 103(b) of the Copyright Act. *See* Pet., App. A at 10a.

The Fifth Circuit disposed of these arguments in a single paragraph. Pet., App. A at 14a-15a. In so doing, the Panel specifically limited its inquiry to the narrow question of whether "the contracts among the parties are insufficient to authorize defendants' use of a digital sample of 'Funky Soul' in their song 'So On and So On.'" Pet., App. A at 12a-13a. In addressing that question, the Court held that: (1) the contracts recognize that Bolden, as owner of the "Funky Soul" copyright, retained his copyright in "Funky Soul"; (2) the contracts do not improperly attempt to create a fictional "joint work," but rather provide that Bolden and MCA jointly own "So On and So On"[1] and that such provision is not in conflict with Congress's abrogation of the "12th Street Rag" doctrine (as set forth in section 103 (b) of the Copyright Act); and (3) "it is clear from the face of the 1993 contracts that they form a license to use 'Funky Soul' and do not merely authorize and share profits from Cordes's additional material." Pet., App. A at 14a-15a. The Fifth Circuit's holding is correct and is not at odds with either the Copyright Act or this Court's holding in *Stewart v. Abend*.

---

1. The Fifth Circuit's opinion (Pet., App. A at 14a) inadvertently refers to "Funky Soul" as the jointly-owned derivative work, rather than "So On and So On." This reference is clearly in error as "Funky Soul" is not a derivative work and the referenced Administration Agreement provides that MCA and Bolden jointly own "So On and So On."

A. The Ruling Does Not Contravene the Copyright Act

Section 103(b) of the Copyright Act of 1976 provides in pertinent part that:

> The copyright in a . . . derivative work extends only to the material contributed by the author of such work, as distinguished from the preexisting material employed in the work, and does not imply any exclusive right in the preexisting material.

17 U.S.C.A. § 103(b) (West 1996). Petitioners argue that the Fifth Circuit ignored the plain language of Section 103(b) and held that Bolden and MCA's copyright in Cordes' new work, "So On and So On," extends to the incorporated portion of the pre-existing work, "Funky Soul." Pet. at 8. But this was not the issue decided by the Fifth Circuit and Petitioners blatantly misstate the Court's holding.

The Fifth Circuit's holding as it relates to Petitioners' "Twelfth Street Rag" argument is contained in two sentences:

> Although the Administration Agreement does provide that Bolden and MCA jointly own ["So On and So On"][2] as an authorized, derivative work, joint ownership of a derivative work does not alone create a "joint work." The policies underlying the "Twelfth Street Rag" doctrine thus do not apply, and we see no conflict between the 1993 contracts and Congress's abrogation of that doctrine.

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2. Due to an apparent oversight, in this one instance, the Court's opinion improperly refers to the preexisting work, "Funky Soul," as the authorized, derivative work, rather than "So On and So On." *See* note 1, *supra*.

Pet., App. A at 14a. Nothing in this holding conflicts with section 103(b) or any other part of the Copyright Act.

In response to Petitioners' argument that the 1993 contracts attempted to create a fictional joint work, the Fifth Circuit pointed out that an agreement to jointly own a derivative work is not equivalent to an agreement to create a "joint work." Pet., App. A at 14a. A "joint work" is strictly defined by the Copyright Act as "a work prepared by two or more authors with the intention that their contributions be merged into inseparable or interdependent parts of a unitary whole." 17 U.S.C.A. § 101 (West 1996).[3] However, where, as here, Bolden was the publisher, not the author, of "Funky Soul," "So On and So On" cannot be, was never intended to be, and is not, a joint work between Cordes and Bolden. Thus, rather than repudiating section 103(b), the Fifth Circuit's ruling simply recognizes that MCA granted Bolden part ownership in "So On and So On" as partial compensation for the non-exclusive use of the "Funky Soul" digital sample. However, neither Cordes, nor his publisher, MCA, acquired any corresponding ownership in the preexisting copyright of "Funky Soul." Indeed, rather than holding, as Petitioners suggest, that Cordes or MCA received a duplicate copyright in the incorporated portion of "Funky Soul," the Fifth Circuit expressly stated that Bolden retained his copyright in "Funky Soul." Pet., App. A at 14a. Thus, the "cloned copyright" over which Petitioners express such concern was invented by Petitioners, not the Fifth Circuit, and the Fifth Circuit's ruling does not contravene the Copyright Act.

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3. The legal effect of the creation of a joint work is that, absent any agreement to the contrary, the creators jointly own a 50% undivided interest in the entire copyright of the work.

B. The Ruling Does Not Conflict with *Stewart v. Abend*

In addition to suggesting that the Fifth Circuit's ruling contravenes the Copyright Act, Petitioners argue that it is in conflict with this Court's decision in *Stewart v. Abend*. It is not. Once again, Petitioners misstate the Fifth Circuit's holding in hopes of creating an issue worthy of writ consideration.

In *Stewart v. Abend*, the author of a 1942 magazine story, "It Had to Be Murder," assigned the story's movie rights to a production company along with the right to renew the copyright after the 28-year initial term. *Stewart*, 409 U.S. at 212-13, 110 S. Ct. at 1755-56, 109 L. Ed. 2d at 195-96. In the 1950s, Jimmy Stewart and Alfred Hitchcock's production company acquired the story's movie rights from the author's assignee. *Id.* Shortly thereafter, Stewart and Hitchcock, together with Paramount Pictures, produced and distributed "Rear Window," a movie derived from "It Had to Be Murder." *Id.* The story's author died in the 1960s during the initial term of the copyright. *Id.* The executor of the author's estate then renewed the copyright in the author's name and assigned the renewal rights to a third party. *Id.* When Paramount (then MCA) re-released the picture after the author's death, the holder of the copyright for the renewal term sued for infringement. *Id.* This Court held that the re-release during the renewal term infringed the rights of the successor owner of the pre-existing work where that use was without the consent of, or without a license from, the successor owner. 409 U.S. at 216, 110 S. Ct. at 1758, 109 L. Ed. 2d at 198.

Stewart v. Abend is easily distinguished from the case at bar. The Court's focus in *Stewart* was on the right to use the derivative work during the renewal copyright term when the original author died during the original term. None of the renewal term issues involved in *Stewart* are present here.

The author of "Funky Soul," David Batiste, like the author in *Stewart*, assigned both the original and renewal copyrights in "Funky Soul" to Bolden in 1970. However, unlike *Stewart*, Petitioners here filed suit during the original term of the copyright.[4] Thus, there is no issue here as to the continued use of "So On and So On" during the renewal term — the renewal term had not begun at the time suit was filed. And there is also no issue here, as there was in *Stewart*, of a re-release of the derivative work after the renewal rights had reverted to the author's estate — David Batiste is still alive today and there has been no reversion. Thus, even if renewal rights were implicated, and they clearly are not, it is well-settled that an author's assignment of his renewal rights before the original copyright expires "is valid against the world, if the author is alive at the commencement of the renewal period." *Stewart*, 495 U.S. 207, 219, 110 S. Ct. 1750, 1759, 109 L. Ed. 2d 184, 200.

Petitioners' attempt to align themselves with *Stewart* is misplaced. Indeed, to align *Stewart* with this case, one must change the facts of *Stewart* and have the *Stewart* plaintiff sue Stewart, Hitchcock and MCA *during the original copyright term* when there was no question that their use was pursuant to a still valid license from the author's assignee. Had the *Stewart* case been in that posture, the proper outcome would have been the same as the proper

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4. Petitioners filed suit in March 1995. Pet., App. A at 5a.

outcome in this case — summary dismissal in favor of defendants. The Fifth Circuit's ruling in no way jeopardizes this Court's holding in *Stewart*; the purported conflict raised by Petitioners does not exist, and review by this Court is unnecessary.

III.

THIS CASE DOES NOT HAVE FAR-REACHING COPYRIGHT IMPLICATIONS

In their conclusion, Petitioners argue that the Fifth Circuit's ruling will have a "momentous impact" on the Copyright Act and the decisions of this Court that have interpreted it. Indeed, they go so far as to suggest that "[t]he Copyright Act's mechanism for handling derivative works hangs in the balance." It might be said that Petitioners greatly overstate the significance of the Fifth Circuit's ruling with regard to copyright law — but that would be an understatement. In reality, this never should have been a copyright case to begin with.

Bolden is the publisher and a legal owner of the copyright to the "Funky Soul" musical composition. He has written contracts and a copyright registration certificate dating back to 1970 that prove it. Pet., App. A at 3a, 13a-14a. In 1993, he authorized Respondents to incorporate a 6½-second digital sample of the "Funky Soul" into a new work "So On and So On." He was paid fair value for that non-exclusive use and the transaction was documented with standard music industry contracts. *See* Pet., App. A at 14a-15a.

Petitioners have alleged that they never received their fair share of the deal from Bolden. That may be grounds for

a breach of contract action, but not a copyright suit. In an attempt to convert that possible breach of contract action against Bolden into a copyright claim against parties who might have deeper pockets, Petitioners made all sorts of allegations. They alleged that Bolden did not own "Funky Soul." The 1970 contracts and copyright certificate proved otherwise. Pet., App. A at 13a. They alleged that Bolden did not authorize the use of "Funky Soul." Bolden and the 1993 contracts proved otherwise. Pet., App. A at 14a-15a. They even alleged that Respondents had "mutilated" and "dismembered" their song, "Funky Soul," implying that they were appalled and artistically injured by the use of the digital sample in "So On and So On." Pet., App. A at 15a. However, their own actions proved otherwise: in July 1993, Petitioners filed an application with Broadcast Music, Inc., seeking to be recognized as co-writers of "So On and So On" with Cordes. Pet., App. A at 5a.

After considering the relevant facts and the applicable law, the Fifth Circuit properly held that Petitioners had utterly failed to raise a colorable copyright claim. The Panel ruled, purely and simply, that where a copyright owner authorizes the non-exclusive use of a portion of a work, there can be no copyright infringement. This is not, as Petitioners suggest, an aberration and travesty that will send the copyright world into a tailspin. Rather, it is the proper application of one of the most basic principles in copyright law based on a full and fair consideration of the facts. This case raises no significant issue of copyright law that warrants this Court's review.

CONCLUSION

For all of the foregoing reasons, Respondents respectfully request that this Honorable Court deny the Petition.

Respectfully submitted,

R. PATRICK VANCE
Counsel of Record
TIMOTHY S. CRAGIN
JONES, WALKER, WAECHTER,
POITEVENT, CARRÈRE
& DENÈGRE, LLP
201 St. Charles Avenue
New Orleans, LA 70170
(504) 582-8000

Attorneys for Respondents Island Records, Inc., Island Records, Ltd., Gee Street Records, Inc., MCA Music Publishing, A Division of MCA, Inc. and Attrell Cordes

CHARLES R. ORTNER
SANDRA A. CRAWSHAW
PROSKAUER ROSE LLP
1585 Broadway
New York, NY 10036-8299
(212) 969-3000

Attorneys for Respondents Island Records, Inc., Island Records, Ltd., Gee Street Records, Inc., MCA Music Publishing, a Division of MCA, Inc.